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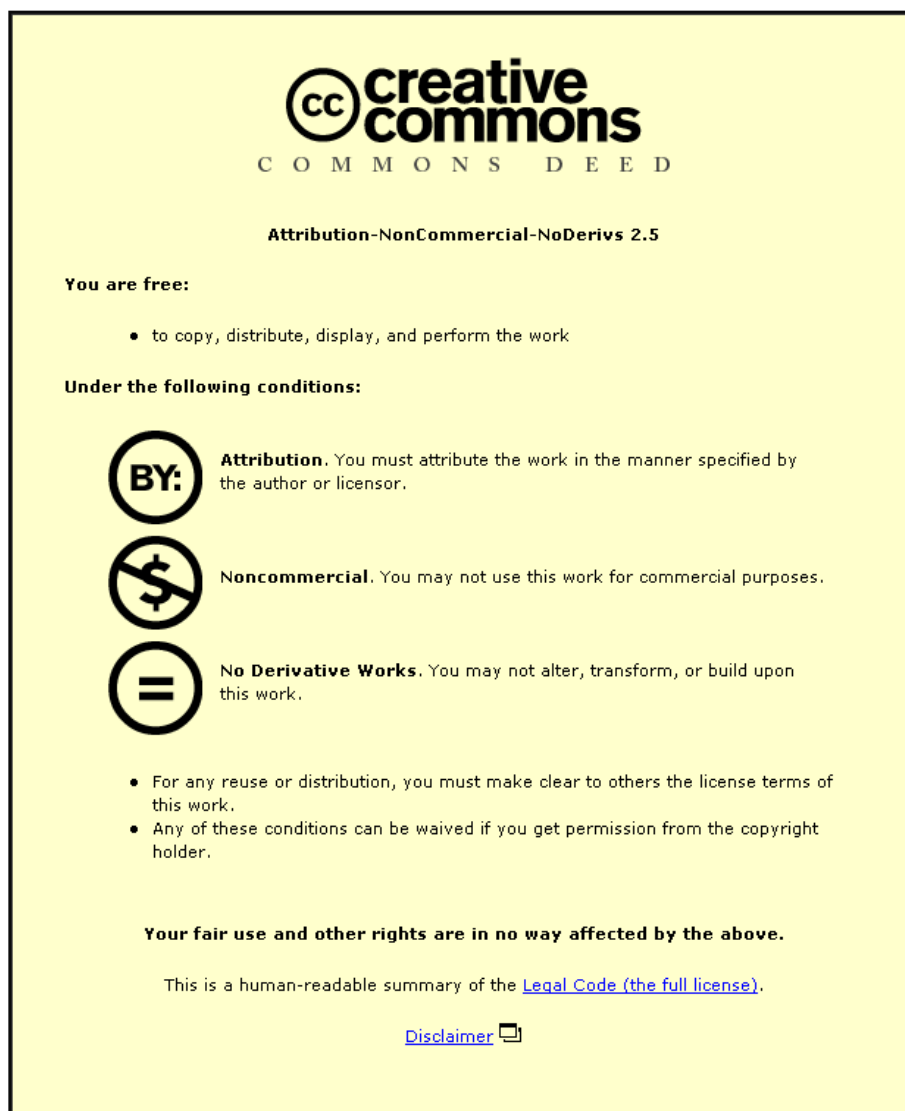
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TOWARDS AN ENABLING STATE?

**Work and Employment in State-Citizen Relations in England
1880 – 2007**

By Michael Fitchett

Doctoral thesis

Submitted in partial fulfilment of the requirements for the award of PhD of
Loughborough University

Spring 2011

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Abstract

This study represents the intellectual biography of an idea. That idea is the Welfare to Work regime of the New Labour government of Tony Blair over the period 1997 to 2007. This Welfare to Work regime is situated within a concept of an Enabling State developed in speeches by New Labour Ministers, particularly Blair, Gordon Brown, David Blunkett and the brothers Ed and David Miliband. The study elaborates the concept of 'enabling', traces its origins back, partly to the debates at Putney at the end of the English Civil War, partly through working-class history, and partly through the transformation of Gladstonian Liberalism wrought by New Liberals such as T.H. Green, L.T. Hobhouse and J.A. Hobson between 1880 and 1914. It will argue that New Labour can be understood only by reference back to these origins. The study will also define the Enabling State by defining its opposite, the Disabling State created, albeit unintentionally, by the Conservatives between 1979 and 1997.

The study employs a subset of Discourse Analysis, Speech Act Theory, to study the Labour speeches, since there has yet not been elaborated a 'theory of the Enabling State'. A participant observation is also employed to discuss how 'enabling' works at the level of individuals.

The study is an attempt to 'read history backwards' as it were: to define the enabling state as it exists now, at least at the level of rhetoric, and then, as practical history, to trace lead ideas back to their sources, and to find antecedents: not cause and effect, for that is too difficult, but to find practices, traditions, concepts and discourse on which New Labour have been able to draw.

This study will argue that, far from abandoning traditional Labour values, New Labour has found new ways to realise them.

Key words: *Citizenship, employment, Labour Party, employability, New Deal, welfare to work*

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Second, to everybody in the Department at PIREs. Writing a PhD can be a lonely business, and to all those who have helped in multifarious ways, whether serving on panels, or simply being there when I wanted to talk, and being willing to listen, and making a lonely experience bearable. Not in any particular order, Mike, Mark, Jeremy, Paul, Maurice, Olly, Dave, Martin, The Linguists, Matt, Kerry, Bezen, Elena, Michael, Natalie (dear Natalie). Not forgetting Pauline, Audrey, Dawn and Frances, without whom I doubt whether the Department would function at all. If there is anybody I have missed out, Sorry!

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My Dad did not live to see me return to the academic world. He was a man of little formal education, but he raised three sons, and took care that I never knew the struggles and hardship he went through to get me into, and to stay at Grammar School. I got my love of reading and words from my Mum, who was also a woman of little formal education. She did live to see me come back to the academic world, and made the MA possible, though she did not live to see the end of this project.

I am not a religious man, but I would like to think that when people depart from this world, there is somewhere for the warm people, and somewhere for the cold people and that wherever the warm people go, Mum and Dad are looking down on me and saying, "Yes, lad, you did all right."

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List of Abbreviations

ALMP	Active Labour Market Policy
BERR	Department of Business, Enterprise and Regulatory Reform
BET	Basic Employability Training
CDA	Critical Discourse Analysis
DA	Discourse Analysis
DfES	Department for Education and Science (formerly DfEE, Education and Employment)
DIUS	Department of Innovation, Universities and Skills
DSS	Department of Social Security
DWP	Department of Work and Pensions
HMRC	Her Majesty's Revenue and Customs
IB	Incapacity Benefit
IES	Institute for Employment Studies
ILP	Individual Learning Plan
IPPR	Institute for Public Policy Research
JSA	Job Seeker's Allowance
LTU	Long Term Unemployed
MPC	Monetary Policy Committee (of the Bank of England)
ND	New Deal
NDYP	New Deal for Young People
NI	National Insurance
NMW	National Minimum Wage
PA	Personal Advisor (in New Deal)
RR	Research Report
S4L	Skills for Life (Adult Learning Agenda)
SoW	Scheme of Work
VET	Vocational Education and Training
WBLA	Work Based Learning for Adults
WOW	Wider Opportunities for Women
WTC	Working Tax Credit (formerly Employment Credit, EC)

INTRODUCTION

Ideas have a radiation and development, an ancestry and posterity of their own, in which men play the part of godfathers and godmothers more than the part of legitimate parents. (Lord Acton, quoted by Himmelfarb, 1990:279)

In 1998, the New Labour Government of Tony Blair introduced the New Deal for Young People programme. This programme was introduced in order to combat unemployment among young people aged between 18 and 24. The promise of the Government was that all people aged between 18 and 24 who had been registered unemployed at the Jobcentre for six months would be offered one of four options: an unsubsidised job; a subsidised job; a voluntary placement on an Environmental Task Force; or a return to full-time education. There would be no fifth option. As time passed other groups were brought into the programme. People aged 25 to 49 were also to be offered a place: this was compulsory. The 50+ age group was incorporated from Spring 2000 onwards, though this was voluntary. By 2003, there was in place a complete programme of New Deal, Working Tax Credit, Work Based Learning for Adults, Job Grants and Training Grants. This constituted the Welfare to Work agenda. After the publication of the Moser Report of 1999, "A Fresh Start", in which Sir Claus Moser claimed that one adult in seven in England could not read well enough to identify a plumber in Yellow Pages, and that there was, therefore a problem in England of poor Basic Skills (Scotland had by then acquired a devolved Administration of its own), the education option of the New Deal included, for those reckoned to need it, a period of instruction in basic literacy and numeracy, which were considered to be a building block of the concept of "employability" itself. This building block became Skills for Life (see Chapter Five.)

This New Deal provides the starting point, and *raison d'être* of this study.

The immediate questions that came to mind, and operated as basic empirical research questions, were, what precisely was the nature of this intervention by

New Labour. Was the New Deal simply another way of manipulating unemployment statistics? Were those on New Deal to be counted as 'unemployed'? Was this intervention no more than a way of packing young people into low-wage, low-skill jobs? Or was it a genuine way to help? What problems did young people have that came between them and a job? Was it as simple as a macro-economic problem of demand for labour? And if so, what could any Government do to increase the demand for labourers? Or, is the labour market more complicated than that? Is there, indeed, one single labour market which all can enter, and if so, how does it work? Is it as simple as the Conservatives said, throughout the 1980s and 1990s, a simple matter of wages being too high? These are the empirical questions to be considered in Chapter Five herein.

Investigation of the New Deal might be a matter of contacting a provider, and interviewing their staff, observing New Dealers, trying to find out what went on, what New Dealers did, and what the staff of New Dealer providers did, and whether it made any difference, and if so, to whom.

However, with the analysis of relevant materials, it became clear that the New Deal was, at least in Government rhetoric, part of a wider programme. Ministers were using a new rhetoric. This rhetoric was of the Enabling State. This rhetoric seemed different to anything that had been heard for a long time. It had nothing in common with, for example, the language of the Labour Left in the 1970s and 1980s that had revolved around questions of nationalisation and controls. Academics such as Max Weber, professional revolutionaries such as Karl Marx and Lenin, and philosophers such as Gramsci had asked What is the State? There had been a spirited debate between, for example, Ralph Miliband and Nicos Poulantzas about the nature of the capitalist State. But this Enabling State was different; it was not asking the same questions. It was not about coercion; it was not about Lenin's 'bands of armed men, prisons.' Instead, it seemed to be about individual people and individual problems, or 'barriers.'

Moreover, this new rhetoric was couched in terms of citizens, rights and duties. This led to a further series of research questions. Was it Labour's view that all

citizens had a duty to work for a living? If so, where did this duty come from, and how did it arise? Was this duty, if it was one, new, or was it old, and if so, how old? Who had asserted this duty before, and when? Was there, indeed, a connection between employment and citizenship, and how had it arisen? Was it even the duty of the State to ensure full employment, and if so, how can this be achieved? Was this language new, and if so, how new? If it was different to the language of Tony Benn, was it different to the language of Ramsay MacDonald, Philip Snowden or Keir Hardie?

Developing this line of thinking further, what, precisely, was the nature of the Enabling State. Did Tony Blair, Gordon Brown and other Ministers have a full theory of the Enabling State, and if so, what was it? Or was it a series of practices which needed to be developed into a theory, or even, to borrow engineering lexis, was it a work in progress? Did this Enabling State have a history? Had anyone thought this way before? Were there any historical examples or antecedents on which Blair and Brown were able to draw, and what were they? Given their membership of the Labour Party, could this project be described as 'Socialist' in any sense used by anyone at any time, and did it matter?

Moreover, this new language seemed different to language used by Harold Wilson, or James Callaghan, the last two Labour Prime Ministers; it was different to language used by the last three Conservative ones, Heath, Thatcher and Major. Was this new language? If so, had Norman Fairclough (2000) described it correctly? Had he used the correct tools? What other tools were available? If there were none, what tools could be created? ?

Gradually, over a period of time, this study took shape, and it became possible to work out how to answer the questions posed above. The business of this study is to go beyond, to transcend traditional debates about 'The State,' on the grounds that there are different types and models of capitalism: German capitalism is not the same as British, Swedish, French, Japanese or North American capitalism. There is, therefore, no *prima facie* reason to suppose that all State forms are the same, if capitalism (and socialism) takes different forms in different places in different times. This study will endeavour to

investigate what appears to be a specifically British form of Enabling State that is being developed by British Labour politicians and policy-makers at a specific time, the end of the twentieth century, or, to be more precise, the period of the Blair premiership, ending in 2007. The study will attempt to elucidate the nature of this State, to enquire whether it is a fully developed theory, or whether it is a work in progress; it will not study this theory through the lens of traditional political theory, but will investigate what one set of politicians are doing at one particular moment, grappling with what set of problems. It will study not only what politicians are doing, but, through their speeches, language, and lexis what they perceive themselves to be doing. And if there is in existence no full theory of the Enabling State, put forward either by politicians or academics, to examine if it is possible to, at least, clear away the undergrowth in order to develop such a theory, or at least, a conceptualisation of Enabling, and hopefully, put in place at least the building blocks of such a conceptualisation. The attempt to clear away this undergrowth and put in place the building blocks will be the contribution of this study to the existing academic knowledge.

The result will be, therefore, a work of intellectual history, tracing the development of an idea, its origins, background and antecedents. This study will draw attention to an aspect of New Labour thinking that has been neglected in the literature so far. It will draw on three strands of Labour political discourse, Welfare to Work policy and intellectual traditions to generate its conceptualisation.

To anticipate, it will be argued that this New Deal is indeed part of a practice of an Enabling State, whose theory has yet to be elaborated, which posits a particular relationship between the citizen and the State in which part of being a citizen is to work, or better, to be gainfully employed. The State and its agents are under a duty to see what they can do to enable the citizen to gain useful employment. In Enabling State practice, this is a matter of identifying barriers, helping people overcome them to become autonomous, independent citizens, not dependent on the State for their livelihoods. It will be argued that, far from being entirely new, such practices have their origins in debates amongst Liberals and Socialists that occurred in the immediate period before

the First World War, but were not continued after that War, but which are still relevant today.

It is to be noted here what this study is not. This study is not a history of the English working class, or its political development, although it draws on such history. It will not try to repeat the work of, for example E.P. Thompson or G.D.H. Cole, but will use such work to draw attention to certain key themes which, it will be argued, constitute antecedents of Enabling State practice. Nor is this study a history of British politics in general over any particular period of time, but the history of one idea, and political events will be drawn in, likewise insofar as they constitute antecedents or part of Enabling State practice. Nor is this study a history of the British Welfare State, either in general, or as it has developed over any particular time, although it draws on such history. It follows therefore, that since Enabling is an idea of Liberal and Labour politicians, the Conservative Party will play little part in this study. It may be said that British Conservatism has always, or at least pre-Thatcher, prided itself on being pragmatic, ideology-free politics, identifying itself with certain interests, wishing to defend those interests, which sometimes have included the labouring classes, as in 1867 and 1875 (franchise and Trade Union reform). But equally, British Conservatism has identified itself with the status quo as that which it wishes to conserve: that is why it is a Conservative Party. Seen in this light, it could even be argued that Thatcher, compared with say, Disraeli or Macmillan, the guardians of the One Nation tradition, is not a real Conservative at all and, intellectually and emotionally, is closer to Gladstone than Disraeli.

In what follows therefore, Chapter One constitutes a review of the literature on two topics, namely, citizenship and employment. The literature on both is huge, and the review is necessarily highly selective, but it is designed to consider ways of looking at citizenship and employment with a view to establishing whether and how the two are connected, and in what ways. What views of citizenship are there, or have there been which can encompass the duty of the citizen to work for a living? What views of employment are there, or have there been which can encompass employment as a right or duty of citizenship? This review concentrates on two traditions which are considered

by many to be most common, or influential in Britain, the United States and Western Europe, the civic republican and liberal democratic traditions. These two are chosen because they have long histories: the civic republican tradition can be traced back to Aristotle, and is embodied in the Constitution of the United States. The liberal tradition can be traced back at least to John Locke's *Two Treatises on Civil Government*. Liberalism itself, as this study will show, can be followed successively through Adam Smith, John Stuart Mill, T.H. Green, J.A. Hobson, L.T. Hobhouse, Winston Churchill, William Beveridge and Maynard Keynes. This liberal democratic tradition therefore gives this study an intellectual continuity over the full period considered (1647 to 2007) which no other tradition makes available, and, it will be argued, the development of this Liberal tradition provides the antecedents of the Enabling State.

Chapter One will also discuss Marx, and J.S. Mill, to whom concepts of self-realisation were common, and self-realisation of individuals will appear as an aim of the Enabling State. However, the chapter will not discuss romantic Radicals, such as William Cobbett and Thomas Carlyle, who looked back to a 'Golden Age,' nor will it discuss anti-evolutionaries, such as John Ruskin and William Morris. The chapter takes 'work', 'job' and 'employment' as synonymous.

Chapter Two elucidates a conceptualisation of the Enabling State. It uses ministerial speeches, lectures and articles, concentrating mostly on Blair and Gordon Brown, as serving Prime Minister and Chancellor of the Exchequer in the period defined by this study, the Blair premiership, but also using speeches and lectures of other leading figures, such as David Blunkett, who was Secretary of State for Employment and Education at the time of the introduction of the New Deal and Skills for Life programme; David and Ed Miliband, who came to the fore later in the second Blair Ministry; Alan Johnson and Alan Milburn have also made significant contributions to Enabling State concepts. A central place will be found for Brown's 1999 Mais Lecture, in which he set out some core Enabling building blocks, and Blair's first speech as Prime Minister, in which is the idea that the best form of welfare is work.

After using the speeches and lectures of Labour Government figures, the chapter will, as a comparator to the Blair discourse, examine the work of the Australian Brisbane Institute. The two main Australian thinkers are Peter Botsman and Mark Latham, who have co-authored a book *The Enabling State*, which, however, constitutes no more than a series of sketches, and the Institute has hosted a number of articles and talks, which explain Enabling thinking in various modes. The Chapter continues by considering academic writing which bears on the concept of Enabling, including an example provided, not altogether intentionally, by Soskice et al (2001) of how Enabling State concepts work in relation to the nature of apprenticeships. The argument will be that apprenticeships, by raising the skills profile of the nation, redistribute earning power among the population. This is to be contrasted with the traditional redistribution by fiscal means, which, it will be argued, redistribute spending power through the tax and benefit system, but not the inequalities in earning power that caused the inequalities in spending power in the first place.

To summarise, what Chapter Two will do, will be to use the discourse of New Labour politicians and others to construct, at least in outline, a conceptualisation of the Enabling State: a project that has so far not been attempted.

Chapter Three traces the antecedents of the Enabling State. It is informed by three major texts, E.P. Thompson's *The Making of the English Working Class* (1963), *A Short History of the British Working Class Movement* (1947) by G.D.H. Cole, and the two volumes investigating the idea of Poverty, *The Idea of Poverty* (1984) and *Poverty and Compassion* (1991), by Gertrude Himmelfarb. Much nineteenth-century history can be told in terms of the formation of an English working class and its struggles to assert its identity and right to a share of England. By this is meant that, as it will have been noted in Chapter One, liberal democracy might be government by the people, but liberal democracy has always been rather fastidious about who exactly constituted 'The People.' Over the period from about 1790 onwards, there came into existence an English working class, which was present at its own making, and which largely made itself. This class asserted that it was a part of

The People, and had a right to share in the wealth of England. The chapter does not attempt to tell the story of that struggle, which has been done at great length by Thompson, Cole and Himmelfarb, but instead seeks to use the secondary literature to identify key events and themes in that story, and achieve a synthesis of knowledge that constitutes the forerunners of the Enabling State.

These key events and themes include the Putney debate of 1647, where the Levellers asserted that England included them ('the poorest he that is in England as the richest he'). This is the first building block of the Enabling state: all inhabitants can be part of The People, though Colonel Rainborough did not mean 'all adult inhabitants'- he left out Englishwomen.

The second major theme of the chapter, and a building block of Enabling is the origin of the duty to work, which is traced back to the Statute of Labourers of 1349, and the attitude of the labouring classes to work, having to do it, what they wanted out of work, and what was to happen to those unwilling or unable to work. The answers to these questions of unwillingness or inability to work, or ability and willingness to work, but inability to earn enough to finance a particular standard of living constitute the 'stuff' of English social policy. It will be argued that the twin discourses of employment and citizenship intertwine themselves in how the modern world of work comes into existence to the point where access to income to purchase the necessities of life depends on access to the labour market, and hence, access to the material wealth of England depends on work, a regular job. Lack of access to work, or decent paying work deprives the Englishman of access to the material, spiritual and cultural wealth of the society in which he lives.

The third theme is the nature of social policy and how society deals with those unable to access such wealth. The antecedents of Enabling State theory lie in the responses of Liberals and Socialists to these social policy questions at the beginning of the twentieth-century, mainly in the period of the Liberal Ministry of 1906 to 1914, and it is the Liberal response which constitutes the Enabling approach. It will be argued that the Socialist response of Keir Hardie, Philip Snowden, Beatrice Webb and others was 'disabling', creating 'dependency.'

The central figure in this Chapter is William Beveridge, who is associated with the development (or even development of) two key institutions, National Insurance and the Labour Exchange. It will be argued that these two institutions are key to Enabling State Theory, although the term 'Enabling State' was not used at the time. These two institutions also constitute the two building blocks of the modern welfare State. The idea is that it was necessary to combine some way of caring for those who either could not work, or who were unable to earn enough while in work, while at the same time leaving the individual as author of his own life, with capacity and competence to run his own life, rather than be 'looked after' by the State.

The chapter continues with a discussion of Beveridge's book *Full Employment in a Free Society*, which Beveridge intended to be his contribution to post War social policy. It will analyse what Beveridge did and did not intend to offer in his 1942 report on Social Security. The difference between the two was that the 1942 Report was written for the Government and constrained by what Beveridge believed he could persuade the Treasury to pay for. The book was what Beveridge would have done if he had had a free hand. It will be argued that Beveridge has in fact been much misunderstood by a tradition of social policy which has lost sight of the fact that Beveridge included the labour market as a key institution of the welfare state. Some consequences of Beveridgean thinking will be discussed. The argument will be that Beveridge, by linking employment and duty to work with the entitlement to support when unable to work as an entitlement of citizenship, brought together the discourse of employment and citizenship, and in the process, provided important antecedents of Enabling thinking, to which New Labour thinking can be traced back.

It will be further argued that Beveridgean welfare reform was itself part of a wider Liberal agenda which amounted to a new, non-Marxist theory of the State, even if this theory was not fully developed, but which incorporated the labouring classes as part of The People. This Liberalism was radically different to even the Liberalism of the early 1890s - Gladstonian Liberalism - because it also accepted new roles for the State as guider, educator, regulator, employer, which Liberals would previously not have accepted. This Liberalism

did not survive the First World War, partly because of the way Asquithian and Lloyd George Liberals differed, partly because of the success of the MacDonald-led Labour Party in supplanting the Liberals as the second great Party of the State, and partly because of the ways in which England itself changed in the course of that War, the aftermath of which created problems of mass unemployment and social strain with which Liberalism itself could not deal. None of this was inevitable. Nevertheless, the view of this study is that there are traditions in that Liberalism that have survived, on which New Labour has drawn in its own thinking.

It would of course, not be true to say that the Conservative Party made no contribution in the field of Welfare policy – it was a Conservative Government that ensured the passage of the Second Reform Act of 1867, and Disraeli's Ministry that reformed Labour and Trade Union legislation in 1875. However, the Conservative Party does not seem to have contributed a great deal to the theory of Enabling, or 'Social Organisation', as Churchill, who was then a Liberal, called it. This study will therefore concentrate on the Liberal Ministry of 1906, and the debates within the Labour Party at that time.

If a key component of Enabling State theory is Welfare to Work, and if it is true that the best form of welfare is work, then a key question is, what can Governments do to increase the number of jobs available to be done, and the capacity of individuals to access those jobs? Thus the key theme of Chapter Four is Active Labour Market Policies (ALMPs). The argument will be that the period from 1945 to 1975 was a time of full, full-time adult male employment in England, and Labour Leader Harold Wilson was able to see unemployment and poverty as blemishes, rather than systemic problems, within a context of (allegedly) Keynesian economic management. It was only after 1975 that unemployment increased and failed to diminish. During the 1980s, as unemployment stayed high, there developed specialist studies of ALMPs. The business of Chapter Four is to study, theoretically these policies, with a view to thinking out what a Government could have done to deal with the problem of systemic high unemployment. What policies were available to Conservative Governments in the 1980s and early 1990s in the field of Labour Market policies? This is a matter of how one thinks the labour market operates, the

assumptions one makes about work and the capacity and competence of individuals to obtain work: employability, and the nature of the work to be done: jobability.

After studying theoretically labour market policies, the chapter will proceed to study empirically some typical Conservative responses. The chapter will examine tax policy, training policies, policies towards incentives and de-regulation, what Conservatives did about older workers, and two examples of Conservative policies in detail: the Davies and Mason study of restructuring work and the Restart effect (a precursor of the New Deal). Speeches of leading Conservative figures will be examined to study what those Governments perceived themselves to be doing. In other words, Conservative actions will be measured against an 'ideal type' model of labour market policy. There will be included a 'broad brush' overview of Conservative policies. The chapter will conclude with a commentary designed to elucidate the real nature and point of ALMPs, and why the Conservatives did not follow them. The result was a Disabling State.

The Chapter will concentrate mostly on the Thatcher period, partly because of the longevity of the term 'Thatcherism;' mostly because it was in the early 1980s that the building blocks of what came to be known as Thatcherism were laid; and also because it is a judgment that although certain Governments come to power with a desire to be seen as great reforming Governments, or to be significant in some way, few succeed. Thatcher's period in office was one of those significant ones, although not entirely as she intended.

In other words, the chapter is a 'compare and contrast' exercise, describing certain practices which removed from citizens capacities and competences which provide tools with which citizens can author their own fates. This notion of Disabling provides a means of comparison with the practices of New Labour, especially in relation to labour markets. A central place will be given to the Mais Lecture of the then Chancellor, Nigel Lawson, which sets out the core beliefs of the Government of which he was part. This lecture will enable a direct comparison with Gordon Brown's Lecture of 1999, which will make possible a comparison of what two major figures perceived themselves to be

doing. Two Governments, which both saw themselves as great reforming ones, attacked their problems from very different, indeed, opposite ends.

The chapter will therefore lay bare the assumptions the Conservatives had about the labour market and its operation; the assumptions they made concerning wealth and the process of its creation; and the nature of the views they had about liberty as a political concept. The Conservative view of liberty was essentially Isaiah Berlin's (1969) 'negative liberty': 'I am free to the extent that no one prevents me doing what I want.' This led Margaret Thatcher to a concept of limited government: not strong versus weak, but limited in the sense that her views on the nature of the State led her to a consideration of the proper limits, what Governments should and should not try to do, and this study will not argue that she was wrong. It is possible that the concept of limited Government led Conservatives to reject certain measures on principle. However, Conservative views can be contrasted with Gordon Brown's essentially positive view – 'I am free to the extent that I have the capacity and competence to decide what I want to do and do it' – which allows wider views of what governments can and cannot do, which find fuller expression in Blair's 'State of the Nation' lectures considered in Chapter Two.

It is not possible in a study of this length to give full consideration to all of the New Labour agenda. Chapter Five therefore presents one aspect of New Labour policy, the combination of New Deal and Skills for Life as a case study of Enablement in the field of welfare to work. The questions to be asked are, who is to be enabled, what they are to be enabled to do, how are they to be enabled to do it? The primary sources will be the research commissioned by the Department of Work and Pensions (DWP), the former Department of Social Security (DSS) and the Department of Education in its various manifestations (DfEE, DfES) in order to elucidate the Government's views of what constituted a problem, and how to solve it. In addition to considerations concerning the Labour Exchange (now JobCentrePlus), and the nature of the intervention that is the New Deal, there will be a discussion of the 50+ age group. This is because this age group has been under-represented in the literature, and also because, it will be argued, all the barriers faced by younger groups affect this older group *a fortiore*. This means that in addition to all the

other barriers mentioned, 50+ suffer from ageism and stereotyping. The chapter will include discussions of Training Grants, Working Tax Credits, Personal Advisors and Work Based Learning for Adults. All of these factors combine to create this aspect of the Enabling agenda, and demonstrate the nature of the New Deal intervention. The concern will be to demonstrate the barriers between New Dealers and employment, and how New Dealers can be, or have been enabled to overcome them. This approach can be contrasted with Independent Labour Party (ILP), Fabian and Titmussian Social Policy approaches which were disabling.

In addition, Chapter Five will include a unique contribution to the literature. As far as the Author can tell, no study of the New Deal has been written by anyone who has first hand knowledge of it as a participant. The Author has himself been a New Dealer, of the 50+ variety, has worked as a Skills for Life Tutor with successive groups of New Deal Skills for Life learners, and has endeavoured to bring to the Participant Observation contained in this Chapter not just the academic skills of a researcher, but some 'inside knowledge' as it were, of the whole process, which he has observed and described. The aim therefore, has been to demonstrate the nature of the Enabling State from the point of view of some who have been enabled, even if they were not able to use the language of Enabling.

Chapter Six will summarise our findings, and suggest ways in which the Enabling State theory and practice might develop. Hopefully, our findings will be that there will have been put in place the building blocks of a Theory of the Enabling State, in the form of aims of stability, human capital, equal worth, not equality of outcome, ideals of aspiration, a Welfare to Work agenda, and a redistribution of earning power, rather than spending power. We will have argued that employment and citizenship were brought together in one discourse in the forms in which the modern world of work was created, and embodied largely in the work of William Beveridge. Key concepts include autonomy, capacity and competence of citizens to control their own lives. One key idea of the Enabling State will, it is hoped, be demonstrated to have been that the aim of welfare policy is to enable disadvantaged citizens to overcome their disadvantage, so that they shall no longer be disadvantaged, and not

merely compensated for their disadvantage. This study will also have demonstrated that Enabling State theories and the Welfare to Work agenda draw on traditions of Liberalism, and a Socialist agenda: not the debilitating statism of Keir Hardie, Snowden and Bevan, but a radical agenda of MacDonald, Bevin and Morrison.

There will be no claim that this agenda is complete. The Enabling State is not a blueprint, for that would imply a single, directing mind behind the whole project. It is a work in progress, pushing at the boundaries of State action. Theory appears here as an explanation of action that has taken place, not as a blueprint for action that is to come. It is arrived at inductively. There will not be, indeed, cannot be, any attempt to devise, deductively, an Enabling Theory against which governments can be measured.

METHODOLOGICAL NOTES

Gertrude Himmelfarb observed (1987:173) that there are three kinds of history, three ways of viewing the past. There is practical history: this interprets the past in relation to the present, reading the past backwards from the present, seeking in the past whatever appears in the present, judging the past in terms derived from the present. Secondly, there is a scientific attitude, which tries to understand the past by subsuming individual events under general laws, so that the past it deals with is not the real past, but a 'timeless world not of actual events, but of hypothetical situations.' Thirdly, there is a contemplative past, as the poet views it, exemplified in its purest form in the historical novel, where the past is neither practical nor scientific, but 'a storehouse of mere images.' Himmelfarb attributes this distinction to Michael Oakeshott, for whom the past is not an objective world waiting to be discovered and reconstructed by the historian. She quotes him "History is the historian's experience. It is 'made' by nobody save the historian; to write history is the only way of making it" (quoted by Himmelfarb 1987:176). In this view, the function of the historian is to make coherent a multitude of past acts and events, and this coherence defines historical truth.

This study is, in Himmelfarb's sense, a work of practical history. It seeks to identify and describe a present phenomenon, the character of what its

protagonists claim to be an Enabling State (Blair and his supporters do use the term). This study then seeks to read history backwards, not teleologically, but in a practical spirit, trying to find in the past the origins of what appears in the present. This study seeks no general laws, and has no claims to be poetry. What it seeks to do is to make a coherent interpretation of past events that will enable a coherent explanation of the present.

In order to make this interpretation, the scope of this study is wide, covering a period of English history from 1647 to 2007, and there will be many omissions, and possibly generalisations about historic themes. But this study sides with Flanagan (1991) and Himmelfarb, who have both complained about an orthodoxy of writing highly detailed monographs about highly specific events or themes which take pride in concentrating all knowledge about a small moment, but which make no connections between that knowledge and the wider world of which it is part. Such an approach is argues Flanagan fundamentally a-historical, and offers no opportunity to learn from history.

This study will examine the concepts of Enabling from a variety of viewpoints, and therefore will utilise a variety of methodologies, according to the problem in hand. Indeed, the methodology emerges as the problem emerges. As the problem changes, so the methodology changes.

In Chapter Two, therefore, New Labour and the Enabling State, the problem is to assemble a theory of the Enabling State, or the building blocks thereof, through the medium of the speeches of the politicians who are themselves creating, or trying to create such a State practice. The aim is to see not only what politicians do, but also what they perceive themselves to have done. Hence, these speeches have been treated by this Author as a political discourse, and the method of study is to be Discourse Analysis (DA). The method used is a subset of Discourse Analysis, speech act theory, taken from Austin (1975) and Skinner (2002).

Discourse Analysis itself has a chequered history, being traced back to the linguistics of Saussure (Howarth 2000), and has a number of different branches; for example, Accommodation Theory, Grice's Maxims, Critical Discourse Analysis, which is usually associated with Norman Fairclough. DA

has been used by linguists, sociologists, psychologists and philosophers (Cameron 2001, Blommaert 2005) and language teachers (McCarthy 1991). It is therefore, a suitable tool for social scientists of all types.

Speech act theory has been chosen because it is more ideologically neutral than CDA, allows actors to speak in their own voices and can categorise and examine texts (and we treat political speeches as 'texts') as illocutionary or perlocutionary acts: that is, it is possible to examine what effects an author is trying to achieve, and what an author is trying to do. Hence, it is possible to interpret a Minister's speeches as developing the ideas of Enabling, explaining, putting in place the building blocks of Enabling, and trying to take control of political language itself on a contested terrain: for example, defining a basic concept of 'equality' by describing what it is possible for citizens to have equal amounts of.

In more detail this can be said. Blair's speeches and writings on the 'Third Way' (a term he stopped using, at least to domestic audiences, in 2001) are written at a high level of generality, whereas the speeches chosen here are made to specific audiences, addressing specific problems, for instance, 'being British', 'employment', 'equality' and what Blair thinks citizens should have equal amounts of, the nature of rights and duties. Secondly, there is the opportunity to read the actual words of Ministers, unfiltered by the press or other agencies. Thirdly, speeches allow Ministers to speak for themselves, to use their own words to explain what they are actually doing: If politics is about what politicians do, and what voters perceive them to have done, the focus of Chapter Two is also on what the politicians perceive themselves to have done. This is in line with the Weberian *verstehen* approach. In 'Speech Act Theory,' the idea is that making speeches is one of the many things that politicians do: insofar as what a politician does may be described as 'work', part of the work of a politician is to make speeches. Austin argues:

Saying something will often, or even normally, produce certain consequential effects upon the feelings, thoughts or actions of the audience, or of the speaker, or of other persons: and it may be done with the design, intention or purpose of producing them;

and we may then say, thinking of this, that the speaker has performed an act in the nomenclature of which reference is made only obliquely, or even not at all, to the performance of the locutionary or illocutionary act. We shall call the performance of an act of this kind the performance of a perlocutionary act. (Austin, 1975:101)

Furthermore, an illocutionary act has a certain force in saying something, a perlocutionary act is the achieving of certain effects by saying something. Hence, as a speech, a performative act is actually doing something. Therefore, for a politician, a speech is a performative act, and it is possible to ask, what is he doing when he makes this speech? To persuade someone of something is a perlocutionary act. A politician may be trying to educate his audience, explain something, persuade it, rouse it to some action (Wring 2005). It is possible to read a speech as a linguistic exercise, 'rhetoric', the art of persuasive discourse (Beard 2000:35); speeches can be construed as political struggles, struggles over dominant language, heightened by the 'mediatisation' of politics (Fairclough 2000:3). Skinner, however, notes that the only evidence of what an author believes is contained in the texts they write, and it is necessary to accept that when an author writes or speaks, they are writing or speaking what they believe to be true, and to insist that they are talking about something else is to put words in their mouths. In order to understand any serious utterance, it is necessary to discover what the author might have been doing in saying what they said. Hence, for Skinner, speeches are acts of communication, arguments, to be understood in terms of context and occasion (Skinner 2002: 40). Chapter Two will therefore focus not only on the content of the speeches, but also the precise nature of the intervention, what the politician might be arguing for, and against; the recapture of the presuppositions and purposes to understand why they make the arguments they do. Of course, politicians are challenged, both within governments and by citizens, who are both witness and participants in the process (Deacon and Golding 1994:203).

Chapter Three is a practical historical enquiry. It uses secondary sources mostly, in order to tell a story, of how employment itself was brought into the discourse of citizenship, and how the discourse of citizenship was broadened to include the discourse of employment. This chapter 'stands on the shoulders of giants' and uses the normal intellectual tools of observation, description, analysis, synthesis, the power of abstraction to identify the parentage, as it were, of key concepts of 'enabling'. To be sure, the figures who appear in this chapter, Hobson, Churchill, Beveridge, Keir Hardie, Snowden, MacDonald did not use the word 'Enabling' or 'Enabling State.' This chapter investigates what language they did use, and the ideas they held. The aim is to track down the intellectual history of these key ideas and actions.

Chapter Four moves into theoretical economics in order to study ALMPs, and also uses the methods of Discourse Analysis to identify what key Conservative figures perceived themselves to have done, in order to contrast what the Conservatives did with what New Labour have done and to describe the result as a Disabling State. This is in the nature of a 'before and after' comparison. In other words, the aim is to use our sources to show how Conservative policy, far from enabling citizens so realise themselves and share in the wealth of England, in fact placed barriers in the way of self-realisation and to shut people out from wealth. To reiterate, the aim is not to discuss the whole of Conservative policy, nor to discuss the entire eighteen years of Conservative Government, but to isolate key areas of policy that relate to the concept of Enabling, and without stretching this study to an inordinate length. Chapter Four therefore examines what tools and knowledge, what technical expertise Conservatives could have used, and with what aims, and with what chance of success.

The Chapter will also include a brief discussion of the nature of Youth Training and some issues arising therefrom in order to show how Active Labour Market Policy must include not only the demand for labour, but also the supply of labour: that is to say, the issue is not only what sort of labour do entrepreneurs want, but what sort of labour the labouring classes are able to supply, and it is often necessary to come down to some very basic considerations of what is involved when these terms are used. This section will also note how basic

skills can impact on notions of citizenship itself and notions of participatory citizenship.

Chapter Five, *The Enabling State: Policy and Practice*, presents something of a problem, namely, to answer the question, who has been enabled, and what have they been enabled to do. Methodologically, this is not easy.

Firstly, it would be reasonable to envisage conducting an empirical test to identify a group of clients who had been through the process, in this case the New Deal, compare this group to one who had not, and attribute any differences in 'outcomes' to the programme. Wilkinson (2003), DWP (2005b) DWP (2007: Ch 11), DWP (2002b: section 2.1.1) have encountered and discussed such methodological problems that arise from this type of approach.

However, in the case of the New Deal, this kind of empirical test is not possible. The New Deal for Young People (NDYP) is a compulsory programme, as is New Deal 25+. The benefit rules state that when a client has been registered unemployed for a particular period (six months in the case of NDYP, eighteen months in the case of New Deal 25+) entry on to the programme is compulsory: receipt of benefit is dependent on entry into the programme. New Deal 50+ was, until 2008, voluntary,, but younger clients are 'conscripts.' There is therefore, no group of clients aged between 18 and 49 who have been registered unemployed for the requisite period of time who have not been through the New Deal process, to whom those who have been through the programme can be compared. The exceptions are those who are not claiming benefit, and have no fixed address (some of these are known as 'NEET', Not in Education, Employment or Training). These exceptions are, by definition, beyond study.

Secondly, there is the question of deciding what 'outcomes' to study. For example, Wilkinson (2003) attempted a statistical analysis of those who had found employment and those who had not, but could not include skill level, education or job readiness, which are hard to measure by conventional means. If the objective of the programme is to enable people to obtain and keep work, and the case of an individual is found who has gone through the programme for X weeks and is not yet in work, has the programme necessarily failed? If it

were known that the individual was, at the start of the programme functionally illiterate, and could not even read a job advertisement, but after 26 weeks of Basic Employability Training (BET), is now literate and able to read an advert, and at least begin to apply for jobs, does that not represent 'progress'? This concept leads to the concept of 'value added', or 'distance travelled' (Moss and Arrowsmith, 2003). Some researchers have attempted to measure progress by counting wages, but again, does the wage measure 'enablement', success in the job market, or something else? Or do economists measure wages because wages are the only thing they can measure? (Feinstein et al, 2004, DfES 2005a)

Even if it were possible to decide which outcomes to measure, there is still the problem, is the outcome due to the programme, or to some other factor which cannot be observed (the 'endogeneity' problem). DfES (2004b) notes that the standard method is to use a multiple regression analysis with a dependent variable and an explainer. Unfortunately, it is not necessarily possible to know whether there are other unobservable variables involved. Furthermore, it is not, by this method, possible to rule out the problem of reverse causation: a firm which is behind relative to the competition and knows it, might engage on much training to catch up, which would make the link between training and performance the reverse of what one would expect – it is not training that leads to performance but performance that leads to training (and see McIntosh, 2004). Or could it be the case that those who succeed are in some unobservable way, more 'able' or more motivated than others, and likely to succeed anyway? How is it possible to account for personal and emotional barriers? (DWP 2006a) This is particularly important for ND50+, whose candidates might be self-selecting (DWP 2005b). The methodological problem is exacerbated by the fact that it is not possible to examine hypothetical outcomes which cannot be observed from the data. In other words, it is not possible to compare those who have gone through the programme to those who have not, with whom the researcher may never come into contact. Many variables are needed to compare one group to another which may not exist, and it is often not possible to get closer than a 'guestimate' (DWP 2006c). Most studies use Jobcentre or Her Majesty's Revenue and Customs (HMRC)

data which were not compiled for the purpose of Welfare to Work research, and lack many variables necessary to evaluate such policies. In addition, there is the problem highlighted by DSS (2000), how to disentangle the effects of the introduction of JobSeekers' Allowance (JSA) itself in 1996 from the effects of the economy being in the third year of recovery from the 1991 recession, when unemployment was falling rapidly anyway?

Over what period is it possible to measure progress? 26 weeks on BET is one thing, outcomes measured over five years can be something else, an apprenticeship, perhaps (DWP 2006f: Ch.4.)

The point is that it is not easy to study the New Deal by conventional methods; it might be possible to go so far as to say that it is not always possible to study the New Deal programmes at all by conventional methods, since it is often not possible to measure 'outcomes' even if it were certain what counted as 'outcomes.'

One alternative might be to follow the lives of a cohort of New Dealers, to see what happened to them after their programmes. This would be very expensive, and well beyond the resources of this study. However, Chapter Five will contain a participant observation as well as, for example, comparisons of administrative records and wage studies in order to disentangle what might be a cause and what might be effect.

The point of the participant observation is to 'get at' the factors that cannot be 'got at' by orthodox methods. The aim is not to try to count those who have gained jobs through the New Deal, but to try to identify how clients might progress, 'distance travelled': to think in terms of what they could do at the end of their programme that they could not do at the start and to see how to integrate into the Enabling model such factors as skill level and job readiness. This entails fresh thinking about what might count as an 'outcome.' The observation proceeded by observing and recording what clients do, rather than what they think about what they do; the encounter with the clients was a Teacher/Student relationship, not an Observer/Subject one. It was hoped by these means to try to overcome the endogeneity problem, to observe that

which was previously unobservable, and to think about concepts such as 'ability', 'motivation' and personal and emotional barriers.

Chapters Four and Five form a couplet. In the first, the question of Labour Market policy is presented firstly from a theoretical angle, posing what alternatives are open to a Government that wishes to promote work. Here, the problem is posed from the perspective of the State: in other words, how political actors, politicians and administrators see the problem. Thus, a range of alternatives is presented based on the idea of categorising workers, and thinking out what can be done for that category and by whom. Against these theoretical alternatives, Conservative policies are measured. For instance, one alternative is training for the work that exists. What training policies did Conservatives follow, and why? Thus, we present the Davies and Mason study of training policies, or lack of them, in three towns.

By contrast, Chapter Five starts from the premise, how is it possible for the worker to fit him/herself for the labour market that exists or can be brought into existence, remembering that it is entrepreneurs who bring together Capital and Labour to create and market a commodity. This does not exclude self-employment, nor does it exclude the idea that local authorities, for example, can function as entrepreneurs, performing functions that private ones cannot perform, or can, but not in the time or scale necessary, or not at an acceptable price, in terms of reward for labour, within the context of a mixed economy. It is also possible to discuss what counts as a 'commodity.' Thus, it is possible to think about workers in terms of the barriers they face as individuals, and think out ways in which the State can help individuals overcome those barriers. It is this latter practice that constitutes 'enabling.'

Methodologically, in terms of resources, the World Wide Web did not exist in the 1980s, and when it did in the 1990s, the Conservative Governments seem to have made little use of it. Chapter Four is therefore a library exercise, in which one of the difficulties was to assemble materials. The scholar might be dependent on how the librarians categorise their stocks. The sources for Chapter Four, *The Disabling State*, are rather diffuse. Chapter Five is however different, in that since 1997, the Labour Government has set up Departmental

websites, on which is published all the research that Government itself has commissioned since 1997. These Departmental websites now contain almost an embarrassment of riches for a scholar. For example, in relation to Chapter Two, the Prime Minister's website, pm.gov.uk, contains (or used to contain) a link to every speech that Tony Blair made as Prime Minister, and the link said whom Blair was addressing, where and when he was talking (if he was speaking as Leader of the Labour Party, the speech would be on the Party website), and a one-line summary of the content of the speech. The Treasury website on the other hand, said that the Chancellor (Brown) was speaking, where and when he was speaking, to whom he was speaking, but not always what he was talking about. Other Departments have websites that operate in similar fashion. In addition, think-tanks such as IPPR, the Joseph Rowntree Foundation, The Work Foundation and the Fabian Society publish their research on their own websites.

CONCLUSION

This study therefore identifies and elucidates a set of practices followed by a group of New Labour politicians at the turn of the millennium. It identifies the antecedents of these policies, traces their history, observes some of the opposition. It endeavours to fit these policies into a wider framework and compares and contrasts these practices with their immediate Conservative predecessors. It also provides a case study of the phenomenon of Enablement and Welfare to Work. These set of practices form, not a blueprint, but a work in progress.

CHAPTER ONE- THEORIES OF CITIZENSHIP AND WORK. A REVIEW OF THE LITERATURE IN RELATION TO ENGLAND

Freedom consists in converting the State from an organ superimposed on Society into one completely subordinate to it –
Karl Marx, *Critique of the Gotha Programme* (1875)

1. INTRODUCTION

The aim of this study is to examine, elucidate, explain and operationalise, in relation to the Welfare to Work regime of the Labour Government of 1997 onwards, what its proponents have labelled a new, non-Marxist theory of the Enabling State which entails the duty of all citizens to work for a living, rather than to depend on State benefits. Hence, for Labour, to be employed is a duty of citizenship, while to extend the hand of the State to aid the citizen to carry out this duty is the duty of the State, and these duties embrace rights, on the part of both citizens and State. This state cannot be studied as an abstraction, but has to be rooted in the discourse and practice of intellectuals who theorise, and politicians, policy-makers and administrators who conceive and put into practice Government policies.

The starting point of this study is to explore how notions of 'work' and 'citizenship' became linked in political discourse and government practice in England over the period between approximately 1880 and the present day. Its premise, or heuristic assumption, is that 'work' and citizenship' were not linked, at least not in either political discourse or government practice before the late nineteenth century. The study therefore goes on to posit that the two terms and practices become linked, over time, in stages, until 'work' becomes part of the political understanding of citizenship.

Both concepts, work and citizenship, are constructed and loaded, indeed, overloaded with differing social connotations and political meanings that have to be disentangled and brought to consciousness. Let us therefore, begin with some basic distinctions, which can later be explored in greater depth.

The approach in this study is to ask Who is the State? Who are the Actors? What are they doing? What do they perceive themselves to be doing, and why are they doing it? This is a Weberian 'action' approach, which does not necessarily ask what ought they to be doing. The study is limited to the British Welfare State, as it has developed over the twentieth century, and, more specifically, England, partly because the term 'England' is older than 'Britain'; there is, therefore, a specifically 'English' discourse and practice of citizenship; and, since 1999, the devolved Administrations of Scotland and Northern Ireland have, to a considerable extent, governed themselves. Office of National Statistics work is often, since 1999, confined to England and Wales. This approach, as with Weber, entails a certain amount of theoretical eclecticism, and a 'verstehen' approach, in which the aim of theory is to 'explain.'

As a starting point from which to proceed, this study takes 'work' to be paid labour and gainful employment, in which labour power, whether manual or intellectual, whether self-employed or for others, is sold under contractual arrangements in a 'labour market' in exchange for money or material reward. 'Work' and 'Employment' are therefore, in this study, synonyms. There will not therefore be included in this review, studies of 'work' in general, nor studies in the sociology of work, nor will we include religious views of work. This Chapter will concentrate on work as 'employment'.

However, the Oxford English Dictionary contains some 40 definitions of 'work', mostly synonymous with toil, or effort, to be contrasted with 'leisure', and also with concepts of purposeful human effort transforming nature, and such activity as earning income, thus becoming synonymous with 'paid employment': simply by following the evolution of the definitions of 'work', we see how, in common parlance, and in Social Science, work and employment come to mean the same thing, jobs, a way of making a living.

It thus happens that employment, a job, comes to mean work under contractual arrangements usually involving the handing over of money, in the form of a wage or a salary. Hence, this narrower definition excludes much activity that could be considered 'work': domestic or housework, black market/hidden economy work, voluntary/unpaid work, do-it-yourself, all may be 'work', but not 'employment.'

In economics, work may be defined as 'an exertion of mind or body undergone partly or wholly with a view to some good other than the pleasure derived directly from work' (Marshall 1907:65). Marshall did not mean that work need not be enjoyable, and he could include unpaid domestic work, and need not include other human aspects of gainful employment, but his definition does reveal a need to distinguish between labour market work and other unregulated activities. Against this background, this study will concentrate on labour market work, 'jobs' as activities that have a public status, being enumerated, regulated and possibly supervised by branches of the modern State, and will not study domestic work, while acknowledging that unpaid domestic and care work constitute the invisible pillar of the welfare state, which is 'written in invisible ink in State policy' (Moullin:2007).

It follows from these distinctions that 'unemployment', lack of a job, is to be contrasted with 'employment', not with 'work' (Jahoda, 1982:11). There are three major definitions of unemployment in use by British Government authorities today. The definition of the International Labour Organisation, requires persons responding to have done not even one hour's gainful activity and to have taken steps to find a job during the week of reference, and also to be ready to start a job within the next two weeks before being counted as 'unemployed'. A second definition, used by the British Trade Union Congress, is to add to these those who express a desire to find a job but who have not actively sought one and/or are not free to start one within the reference week of the survey. The third definition is to count those who have registered with a state agency, the Labour Exchange, as it used to be called, in Britain, now the Jobcentreplus. In addition, there are various means of categorising the 'unemployed', for example, long term, short term, frictional, structural,

seasonal, as will be explained in Chapter Four, and are relevant to the changing discourse of work.

Turning now to the citizenship part of our equation. As an initial introductory statement, it may be said that citizenship is a complex, multi-dimensional concept. The Oxford English Dictionary defines 'citizen' as a legally recognised subject or national of a state or commonwealth, a word derived from the Latin 'civitas', a city, and 'citizenship' as denoting a quality or condition, status, honour or office. More recent studies have tended towards normative notions of participation in the life of the community in which one lives, as will be discussed below. In this literature, 'Citizenship' can involve rights, such as voting in (free) elections, right to the protection of the Law, jury service, may involve duties, such as military service, paying taxes; and may extend much further. It will be shown later how 'rights' may be restricted to the political arena, in terms of voting, but may involve notions of civil rights, such as freedom of speech, conscience, association, and may extend to economic and social rights, of which right to work, right to a job, may be one. For Aristotle, citizenship revolved around notions of 'the good life', the life of a virtuous (male) human being. On the other hand, citizenship may operate at the most basic level of two men talking over the affairs of the day in a pub.

The attempt to move forward from the starting point of this study, which was an historical enquiry, involving an interpretation of English history, and carry the story forward into contemporary political practice, became part of the main project whose main purpose is to investigate how the closer association of paid employment with citizenship constitutes an integral and operational part of an arguably novel concept of state discourse and practice developed by the Labour Party from around 1985 onwards, most closely linked with the New Labour philosophy, which can be referred to as 'The Enabling State.' This term has been used in recent years by politicians such as Neil Kinnock, Tony Blair, Gordon Brown, and Mark Latham, former Leader of the Australian Labor Party; and by academics, such as Neil Gilbert, Peter Botsman, and Blair's former policy advisor Geoff Mulgan. At its simplest this concept refers to a reformed set of ideas and normative views on the role of the State *vis-a-vis* the citizenry, as consequences of social changes and evolving political climates in

the UK. The concept will be developed in Chapter Two. Briefly, the Enabling State will be conceptualised as an alternative to a State that simply 'provides' welfare towards one that 'enables' citizens. Enabling State theory sees the State moving away from its simple 'provider' role to essentially 'passive' recipients to one where the state looks to see what it can do to enable citizens to provide for themselves, implying that citizens will be 'active' in contributing to meeting their own needs. Enabling State theory therefore interrogates notions of 'dependence' and 'independence' in the relations between the State and the citizens, and in academic and policy debates thereon.

However, a number of different perspectives and practices surround the concept, which it will be the business of this study to unpick, by asking questions about who will be enabled, and what they will be enabled to do, both in discourse and in policy practice.

The general argument will be that citizens have experienced a number of shifts or ranges of changes in their citizenship rights. These shifts can be traced from a set of general rights, duties and obligations or responsibilities to a point where citizens are required to possess or be willing to develop so as to possess sets of specific skills. The skills in question are aimed at equipping the individual citizen for participation in the labour market and are conceptualised as personal 'employability'. This itself is more or less loosely defined as a capacity for employment that a citizen can, and indeed ought to acquire, and can be contrasted both with a right to receive training, and with a right to be directed towards a job that meets the individual's already existing skills and requirements. Hence, the Enabling State revolves around ideas of 'balance' between rights and duties of a citizen.

A second thread of the argument is the possibility of another element in the rights/duties dimension, the right to opportunity to acquire new capacities and competencies to go with a duty to become 'employable.' Is this a new right or obligation? If it is the latter, there is envisaged a new perspective to the state-citizen relationship in liberal democratic capitalist societies, that citizens have a duty to work for a living, and not to be dependent on the State. Such concepts of work, employability and citizen duty serve to strengthen the association of

employment with citizenship. They re-define the relationship, and both in practice and in state discourse, challenge established ideas of what constitutes 'welfare' in the fields of state practice and citizen rights.

A final strand to be explored is the dimension that government discourse posits a new link between employment and citizenship as an 'active' form of citizenship. This link adds to previous concepts of voting and volunteering. This government discourse connects skills acquisition to the individual's capacity and competence to exercise citizenship rights, implying that only he or she who actively offers the skills that employers want, or can be persuaded to want, counts as a full citizen. Thus the citizen, in addition to, for example, voting and volunteering, now has a long term duty, as well as right, to enskill, re-skill and multi-skill themselves over a lifetime ("Lifelong Learning") in exchange for the support of the State, both in the form of short term replacement income while unemployed, and in the form of continuous training and re-training, in which the State itself will continuously improve its own performance and the performance of its agents. This itself poses the possibility of a dichotomy between an 'old' ideology of a citizenship granted from above by a State to essentially 'passive recipients' and a 'new' ideology of participatory citizenship built from below, as it were, or better, from 'inside out', by self-enabling, empowered citizens.

In what follows therefore, this first chapter reviews the established academic literature relevant to questions of work and citizenship. Our aim is to identify discourses of citizenship and employment that actually or potentially can be brought together into one discourse which could lead in the direction of an Enabling State. On the other hand, it is possible that much of what will be encountered can be discarded as not leading in the direction desired. At least, the hope is to give us a baseline from which to proceed to the theoretical investigation of Chapter Two.

2. CITIZENSHIP

"Who is a citizen? Whom should we call one? Here too there is no unanimity, no agreement as to what constitutes a citizen."
(Aristotle 1981:168)

This section will consider how the term 'citizenship' has been used in the literature so far. It will consider the main lines on which citizenship thinking has so far proceeded, and will then move on to two main traditions in Western political thinking, the civic republican model and the liberal democratic tradition.

2.1 Varieties of Citizenship

Citizenship itself is a constructed notion that is contested and the subject of a variety of claims. Humans see themselves in many ways, of which 'citizen' is only one, and this one can be thought about in terms of privilege, exclusivity, status. Citizenship can be considered in territorial, social, political and behavioural dimensions: as tied to place, time, social relationships between people, relations between people and public authority, and how citizens are supposed to behave (Vogel & Moran 1991). Citizenship can be tied to notions of identity, and, in terms of leading a human life, concepts of the responsibilities of choice and reasoning (Sen, 2006:xii). Philosophy, Political Science, History and Law can be mixed to find concepts of the good citizen, political/legal rights, property, welfare, nationality, citizenship education for the young (Oliver & Heater 1994). Citizenship can be about the roles of individuals within the political community and the rules that govern that community, and can cover volunteering, legal and social rights and duties, knowing the 'rules' and impediments to citizenship (Report of the Commission on Citizenship 1990).

Equally, it is possible to consider the question in terms of culture, aesthetics, meaning and difference, in dichotomies with issues of rights, obligation and belonging, involving the 'power to name, construct meaning, and exert control over the flow of information within contemporary societies' (Stevenson 1994:42). It is possible to interrogate how civil and political rights have been expanded and transformed by post-modernisation and globalisation, and how cosmopolitan, sexual and cultural rights expand the definition of citizenship, which become 'articulating principles for the recognition of group rights' (Isin & Wood 1999, Delanty 2000). For citizens appear in many guises: gender, ethnicity, culture, life-style, sexual orientation (for example, see Lister 1997,

Pateman 1979). Clearly, even from these basic conceptions, we have encountered a complex intellectual phenomenon. Aristotle seems to have been correct.

Citizenship can be 'a relationship between an individual and a state involving the individual's full political membership of the state and his (sic) permanent allegiance to it, the official recognition of the individual's integration into the political system (Heater 1990:247).

Furthermore, citizenship concerns the notion of participation in public life, the citizen as someone who governs and is governed (an Aristotelian concept, advanced by Van Steenberg 1994). Citizenship appears as autonomy, judgement, loyalty, an office for which one has to qualify, included in Van Steenberg's political notion, the relationship of citizen to State; included also here is a sociological notion, the relationship of the citizen to society as a whole, involving rights and entitlements on the one hand, and obligations on the other. And if this is so, who is a member of society? What holds society together? Who is included and who is excluded? Which entitlements and obligations do different members of society enjoy? Is there a gap between actual and ideal distribution of rights in a given society? (Bulmer & Rees 1994). Questions of 'membership' bring in definitions of power, to include or exclude. Who exactly are 'The People?'

Citizenship can be defined from the concept of autonomy (Clarke 1994, 1996). To be autonomous is to act for reasons of one's own and to take responsibility for one's actions. To act as a citizen is to use that independence in the public domain, and to orient action to the public good, and hence involves opportunity to participate in one's own life, and in the creation and re-creation of the conditions within which that life is acted out. This distinction involves both 'status' as citizen (a legal position) and action as a citizen, that is to say, a domain within which action is possible, a public domain of public action, from which it can be asked, what is the extent of this domain? Does it include all actions of the citizen, or only some? What are the limits of autonomous action, and are they limited by the capacity and competence of the citizen, and if so, how can those capacities and competencies be learned?

Faulks (1998) thinking on similar lines, identified three main types of definition of citizenship, namely:

- Legal definitions – the rights and duties of the citizen
- Philosophical definitions – normative question about the good society
- Socio-political definitions – status, membership, social practices

Thus, Faulks, in parallel with Crick (2000), is able to question whether citizenship is something you are, or something you do:

Citizenship is a status that mediates the relationships between an individual and a political community. It is characterised by a set of reciprocal rights, the extent and nature of which are defined through a complex set of social and political processes, including the struggle between opposing social forces, political compromise and historical and economic circumstance. (Faulks, 1998:4)

The idea of 'practice' has been developed in terms of participation in policy-making that contributes to creating the terms of citizenship by Wiener (1998) who distinguishes three elements:

- Rights that establish how the individual relates to the polity
- Access to the conditions for practising citizenship, in terms of opportunities and restraints
- Belonging symbolism, myths, language, culture.

Wiener means to consider citizenship as aspects of belonging, in terms of citizenship practice, the dynamic citizen-polity relationship, the link between citizen and community, participation versus representation, legalised belonging or formal citizenship. These concepts involve an identity-based link between citizen and polity, a feeling of belonging which is the result of day to day experiences of participation and emotional belonging, which themselves raise questions of how far citizenship practice is itself a matter of 'top-down' politics, the granting of rights, and how far it is a matter of a struggle for rights, 'bottom

up.' Thus, there enters the question of whether citizenship is a society relationship, or a State-Society relationship, or is it a relationship of 'either/or', or both.

The process of the struggle for rights, in a context of a web of rights and duties, liberties and constraints, in which all citizens are equal, and membership of a political community involves some degree of participation in the life of the community, out of which it is not possible to withdraw into private life while still claiming to be a citizen, leads the study of citizenship to:

Involve examining the ways in which different groups, classes and movements have struggled to gain degrees of autonomy and control over their lives in the face of various forms of stratification, hierarchy and political obstacle (Held 1995:67).

Held has thus developed a normative conception of the modern state and democracy in terms of a politics of empowerment, which is sometimes used as a synonym of Enablement, with the aim of creating a free and equal citizenry. His leading concept is 'autonomy,' defined thus:

Persons should enjoy equal rights (and, accordingly, equal obligations) in the framework which generates and limits the opportunities available to them; that is, they should be free and equal in the determination of the conditions of their own lives, so long as they do not deploy the framework to negate the rights of others (Held 1994:48).

Held's concept of rights connotes entitlement capacities, capacities to pursue action and activities without the risk of unjust interference. These rights are entitlements within the constraints of community, enabling and constraining action. These rights are entitlement to claim and be claimed upon. The concept of 'community' is subject to many qualifications and queries: who makes up a 'community' and how do they make it up? Who speaks in its name? Whether 'community' is itself a matter of geography, class, politics, interdependence, and how far notions of community are compatible with notions of personal liberty are difficult problems, and community has to be

constructed, rather than assumed (Brown, 1994:118). However, the concept of 'enabling' seems to mean creating spaces for action, and specifying limits on action, but it is not clear whether, at this stage, Held includes the competence to act, in terms of skills necessary to act. The concept of empowerment must therefore, be pursued in terms of capacity and competence, in addition to spaces for action.

The reader may have found this discussion so far somewhat bewildering, as it encompasses a wide variety of definitions and problematics, which accounts for Aristotle's puzzlement at the start. But, it has already been established that not all concepts of citizenship lead to 'enabling' the citizens to practise them, nor have we yet established a discourse, or even potential discourse that encompasses both citizenship and employment. However, having discussed citizenship in general, and the various ways in which, as a topic, it can be approached, it is now possible to turn to what some writers (eg, Lister, 1997, Held 1995) have considered the two most influential in specifically English and American traditions, the civic republican and liberal democratic ones, in order to simplify matters somewhat.

We omit varieties of communitarian and multi-cultural politics on the grounds that such politics leads into identity politics, the politics of difference, which can be advanced in ways that encourage separatist, patriarchal and authoritarian tendencies, and also place individuals in separate silos based on single identities of ethnicity, religion, gender or colour. In such ways, by replacing concerns with material and structurally embedded sources of injustice with the problem of cultural identity, advocates of the politics of difference or recognition may indirectly be contributing to the marginalisation of problems of economic inequality (Kenny, 2004:161.)

2.2. The Civic Republican Tradition of Citizenship

The Civic Republican tradition is a way of thinking about, and practising Citizenship that seems usually to revolve around concepts of a constitutional system of government with some form of power-sharing to prevent arbitrary and autocratic government, and the involvement of the citizenry in public affairs to the mutual benefit of the individual and society. The tradition runs

from Aristotle through Cicero, Machiavelli, Rousseau, Hegel and de Tocqueville (Heater 1999, Held 1995). The tradition can be discussed in terms of the purpose of citizenship, and the quality, role and formation or education of the citizen. The lead ideas involve citizens who are socially and economically independent, disinterested, with sufficient time to devote to civic duties. A 'good citizen' is a property owner, for only property ownership provides the independence necessary for carrying out civic duty. This idea is common to Aristotle and Rousseau. In the civic republican tradition, it seems that owning wealth is a sign of virtue, while making money tends to be seen as a vice, for only men of landed property possess the necessary qualities to benefit the state, and therefore, only property owners were fit and proper persons to be citizens.

Heater (1999) and Dunn (2005) both note how, in France, the civic republican tradition gave rise to ideas of *La Patrie*, the country as Motherland, which includes ideas of citizen as member, part of a community, involving ideas of rights, duties, tradition, community, identity, and conflicts between divisive privileges, equalisation and standardisation, unification of the Nation and cultural homogeneity, and the primacy of the public realm over the private.

However, there is a difficulty with the civic republican tradition, which is that if citizenship itself becomes a matter of socio-economic standing, and only those free from constant toil can perform their duties as citizens, then only fit and proper persons with a property stake in the country can be citizens, and the uneducated masses cannot be allowed to participate. Indeed, Aristotle asked whether a mechanic or labourer can be a citizen, and came to the conclusion that the answer was only under special circumstances (Aristotle 1981:184). Where honour depends on merit or virtue, it is impossible, in Aristotle's view, while living the life of a mechanic or hireling, to occupy oneself as virtue demands, as a Citizen. Thus is posed both the question of an entrance ticket to the status of citizen, rather than a set of rights acquired on entry, and also, the undesirability of 'employed' persons becoming full citizens.

2.3. The Liberal Democratic Tradition

Out of a voluminous literature, it is possible only to introduce only some salient points, relevant to the role of Employment, namely basic propositions of the tradition, the historically contingent nature of Liberalism itself, its connections to the formal discipline of Economics, and how it can lead on to discussions of the nature of the Welfare State.

Liberalism has its origins in the English Revolution, and social contractarian natural rights theory epitomised in the writings of John Locke. Central to the tradition is the right to private property, on which the right to political participation itself was based (see Chapter Three herein). In the view of both Heater and Held, and in Pateman (1979), and McPherson (1967) in Liberalism, civil rights were tied to Locke's possessive individualism, and also, to the role of lawyers and the development of capitalism. Liberalism had also to do with the shaking off of the ties of feudalist personal subservience, hierarchy and *ancien regime* provincialism.

Held (1995:150) listed four basic points which he believed to be held by all theorists of liberal democracy, viz.

- Protection from the arbitrary use of political authority and coercive power.
- Involvement of citizens in the determination of the conditions of their association through the provision of their consent in the maintenance and legitimation of regulative conditions.
- Creation of the best circumstances for citizens to develop their nature and express their diverse qualities.
- Expression of economic opportunity to maximise their availability of resources.

In contrast to the Aristotelian ideal, Social Contract theory spelled out the standing and entitlements of the citizen as an individual, asserting the primacy of the private realm over the public. Heater (1999) asks whether this contrast between Locke and Aristotle signifies that liberal democracy and civic

republicanism are mutually exclusive, and wonders whether it is possible to be a liberal republican, or a republican liberal. Does Locke's individualism allow for a virtuous, republican, community-conscious citizen participating in public affairs, enhancing liberal individual development, if indeed, on another reading of the *Second Treatise on Civil Government*, Locke was really guilty of possessive individualism?

This distinction could be summarised thus:

Citizenship is a contested concept with roots in liberal, socialist and republican thinking. The liberal tradition has emphasised freedom (autonomy) of the individual vis-à-vis the State, whereas socialist approaches have focussed primarily on social equality. The republican tradition has focussed on the participation of the citizens in the political community and has emphasised the ideal of the *zoon politikon* acting together with other citizens. From this perspective the public dialogue is the primary means to achieve the common good (Siim 1999:108).

It is next necessary to show the historically contingent nature of Liberalism itself. Hobhouse (1911) argued that Liberalism, as a political philosophy, began with John Locke, but that its content changes according to what Liberals find 'illiberal.' Thus, says Hobhouse, for Locke, the problem was the over-mighty, absolutist monarchs of the seventeenth century, and hence, Locke's liberalism took the form of the defence of property rights against the King. As the English solved the problem of the King, eighteenth-century Liberalism metamorphosed into a more general attack on unjustified privilege in general culminating in the utilitarianism of Bentham and the elder Mill, and finding its highest expression in the 1832 Reform Act. Hobhouse further claims that, during the 1840s, Liberalism became synonymous with the Manchester School of Free Trade, and Liberalism came to signify attachment to free trade economics. Hobhouse wrote in 1911, and it is possible that liberalism would change its nature again during the twentieth century, as it had during the nineteenth.

Margo (2007) has argued similarly, that all ideologies evolve in response to societal shifts, but that Liberalism 'has an apparently simple motivation: society should be so ordered as to enable people to be free.' Apart from interrogating the nature of such 'freedom', this idea entails that government should remain neutral about the 'good' – issues about the 'good life' and how best to pursue it should be left to the private choices of citizens. Citizens will disagree about how best to live their lives, but need to be free to take their own decisions and the focus is to be the individual and collective capacity to decide things for themselves.

At the heart of Margo's liberalism is a concern for autonomy, the free exercise of human capabilities. From this point of view, the root of this modern British Liberalism can be traced back not to the social contract theory of Locke or Hobbes, but to the rejection of Utilitarianism by J.S. Mill, for whom individuals are autonomous human beings, rather than happiness maximisers (see Himmelfarb 1990:5). Margo argues that for Mill, the prime values lay in human freedom and fulfilment. The key concept is 'agency', the ability to make meaningful choices about one's own life, which is more important than 'equality.'

Margo defines her view as 'progressive liberalism': the socially just society is one where each has equal opportunity to fulfil his/her own potential, where individuals and their families can progress on the basis of their own aspirations and hard work, and are not held back by family background, circumstance, nor by radical egalitarian ideas. The concept of a just and open society is more demanding, in Margo's view, than some weak concepts of equal opportunity, such as meritocracy, since it can be used to justify action to close social class gaps in wealth, income or well-being, and not simply to lift people out of poverty.

But Margo claims that the 'Liberalism' lies in the insistence that some inequalities are the just and necessary outcome of people exercising meaningful choices, and that this liberalism has more purchase on public sentiment than a stronger egalitarianism of equality of outcome, for reasons which lie in the concept of 'locus of control', which is defined as the degree to

which people perceive events as within their own control, and also includes a sense of agency, and which can be combined with psychological measures of 'application', broadly translatable as dedication and concentration, which matter for success in life. It could be argued that this kind of Liberalism has much in common with the New Liberalism of such writers as the philosopher Thomas Hill Green (1836- 1882), or the economist John A. Hobson (1858-1940), both often referred to by Gordon Brown, and as such, might well lead us in the direction of the Enabling State.

The Liberal Tradition needs exploring a little more here, on the grounds that the civic republican tradition, stemming as it does from Aristotle, has been most influential in the United States and France, whereas the Liberal tradition, stemming from John Locke, is more traditionally English, and this study refers specifically to England. It is not that the civic republican tradition has been uninfluential in England: one thinks of Tom Paine and Mary Wollstonecraft, for example. But as Brody (2004) points out, Paine and Wollstonecraft were vilified during their lifetimes, and for long afterwards, by people who conflated civic republicanism with Jacobinism, and this may account for the tradition being of less influence than in France or the US.

In this Liberal tradition, it is possible, referring back to Section 2.1 above, to elucidate two views of citizenship. The first is that citizenship is a status, not fundamentally altered by the virtue, or lack of it, of the citizen, and irrespective of the contribution of the citizen to society. There appears a basic status that comes through membership of a political community. Citizenship implies a set of rights, negative and positive, which do not depend on any obligation on the part of the citizen. "The universalism of the system was to be rooted in common membership, common needs and common right. The purest form of such an approach would be an unconditional basic income." (Plant 2003:155)

The second approach emphasises obligation, virtue and contribution; an achievement rather than a status, with ideas of reciprocity at its heart. Individuals cannot have a right to the resources of society unless they contribute to the development of that society. Citizenship has to be earned, and is not a given (Plant 2003:156). Plant here highlights a problem in

theories of citizenship, which has been considered in many ways (Brogan 1960, McPherson 1967, Pateman 1979, Simmons 1979, Horton 1992):

The Englishman who is not a member of any society, who does not subscribe to any society, who has no ideas or wishes at all in the maintenance of old rights or the conquest of new ones, is not a true-born Englishman. He is displaying an indifference to his duty as a subject/citizen that makes him, whether he votes or not less than a full and deserving member of the commonwealth (Brogan 1960.)

In Brogan's view, in common with McPherson, Pateman, and Horton, the rights and duties of the citizen go together. One cannot even be a member of a golf club if one does not accept that the right to use the facilities and play golf is balanced by the duty to pay the fees and abide by the rules of golf and the club. He who has not understood this, says Brogan, has not understood what it is to be a 'member.'

This is the view of freedom advocated by the Hegelian-influenced philosopher T.H. Green, whose argument was that no one can have a right except as a member of society, and that this entailed a society in which some common good is recognised by the members of that society as their own good, each for all. That is to say:

Bearing his part in a society in which the free exercise of his powers is secured to each member through the recognition by each of the others as entitled to the same freedom with himself (Green 1901:44).

The importance of this will be shown in Chapter Three, Antecedents, where it will be argued that much nineteenth-century English history can be told as how English working men, and in the twentieth century English women, asserted that England included them, as persons, legal and moral, with rights and duties, and that this is an essential building block of the Enabling State.

Gorz is even more emphatic in this respect. He argues:

There can be no rights without corresponding obligations. My duty is the basis of my rights and to relieve me of all duties is to deny me the status of a person having rights. Rights and duties are always two sides of the same coin: my rights are the duties of others towards me; they imply my duties towards these others (Gorz 1989:207).

There is another problem with the liberal democratic tradition, namely that the 'democratic' half is a late comer to the equation (Dunn 2005:71). Even as it entered the eighteenth century, 'democracy' was itself a pariah word, since in ancient Greek, the word 'demos' means 'the mob'; it may mean 'government by the people', but, says Dunn, right up till the end of the Second World War, political thinkers were very fastidious about who exactly constituted 'The People.' Dunn noted Madison's view in America, that 'democracy' meant 'faction', which Madison feared (See Federalist Paper no 10.)

Our attention is also drawn by Dunn to another problem to do with the distinction between 'active' and 'passive' citizens: he notes that in October 1789, the French National assembly wished to distinguish between active citizens, who pay taxes and are the only real stakeholders in the great social enterprise, and passive citizens, women, children, foreigners and those who make no fiscal contribution to the State. The idea was that passive citizens were fully entitled to the protection of their persons, property and freedom, but only active citizens would have the right to take part in the election of officials. The idea was attacked by Robespierre, on the grounds that it would not be then true to say that all men (sic) are equal in rights, that all men (adult humans) are citizens. The importance of this is whether those who do no work can be considered passive citizens or active ones. This, it might be thought, depends on what they do with their time.

The high point of Liberal citizenship thinking was provided by T.H. Marshall, the 'father of modern citizenship thinking' (Turner, 1993:7). In his 1950 Lectures, Marshall paralleled Hobhouse's linear conception of the development of Liberal thinking when he claimed that the eighteenth century was a phase of civil rights: free speech, a free press, property rights, valid

contract, justice (in terms of rights to assert and defend rights in a court of law, on terms of equality with others, due process of law); liberals in the nineteenth century were concerned with political rights in terms of the franchise, right to participate in the exercise of political power; liberals in the twentieth century were concerned with social rights, a modicum of economic welfare, to share a social inheritance, to live the life of a civilised being according to societal standards, a concept developed in the 1970s and onwards by, for example, Peter Townsend.

What is interesting about this agenda is a parallel with R.H. Tawney. While Tawney's (1964) agenda of equality was phrased in terms of all citizens sharing rights and privileges which had hitherto belonged only to a few, Marshall similarly, conceived, not only a process of creating new rights, but also of extending to all citizens rights enjoyed previously only by a privileged few: an example of this would be the franchise. Marshall included formal education in his field of social rights:

The education of children has a direct bearing on citizenship, and when the State guarantees that all children shall be educated, it has the requirements and the nature of citizenship definitely in mind (Marshall 1950:19).

He was thinking here not so much of the right of the child to go to school, but the right of the citizen to have been educated. He connected education to political democracy by observing how democracy requires an educated electorate, while scientific manufacture needed educated workers and technicians – a purely functional requirement, which he developed by noting (1950:26) that the 'duty to improve and civilise oneself is therefore a social duty, not merely a personal one,' for in his view, the social health of a society depended on the civilisation of its members. This could be seen as a forerunner of the Lifelong Learning agenda of 1997 onwards. Marshall thought that the growth of public education was a decisive step on the road to the establishment of the social rights of citizenship in the twentieth century. In Marshall's view, citizenship was a status bestowed on all who are members of a community, for all who possess the status are equal with respect to the rights

and duties with which the status is endowed (1950:28). He did qualify his views but the essence of Marshall's citizenship is still the idea that citizenship requires a bond, a direct sense of community membership based on loyalty to a civilisation which is a common possession (1950:40).

Empirical support might be lent to Marshall's thesis by the fact that 1950s Britain was on the verge of becoming the Affluent Society, to use Galbraith's term (Sandbrook 2005), during which time such goods as housing, education, leisure and consumer goods, such as the refrigerator, the vacuum cleaner, the telephone, the motor car, ceased to be the preserve of a wealthy elite, and began to spread to the masses, and economic well-being was incorporated into the social rights of citizenship.

There are however, problems with the Marshallian analysis, namely the extent to which Marshall, and following him Richard Titmuss, saw a conflict between citizenship and social class in the political sphere (Hindess 1987). Marshall himself postulated a hyphenated democratic-welfare-capitalism, in which no sphere dominated. To subordinate economic activity to the demands of social welfare could have disastrous consequences both for economic freedom and efficiency. Moreover, Hindess thinks that it is hardly possible to maintain democratic freedom in a society which does not contain a large area of economic freedom, even though it may be necessary to use 'welfare' to civilise capitalism. However, both Marshall and Titmuss seemed to see the economic sphere as amoral, and in some ways inimical to notions of citizenship. The potential conflict between the economic dimension of the market and the political dimension of citizenship, an area where citizenship promotes equality, while the market promotes inequality, may well indeed constitute a problem for citizenship theorists of a Marshallian persuasion.

The problem as seen by Hindess (1987:61) is however that the kind of argument put forward by Marshall and Titmuss presupposes the legitimacy of analysing social conditions as the more or less consistent expression or realisation of one single principle: in this case, 'equality', how far it is possible to organise society in terms of one principle of equality. From the other end of the political spectrum Milton Friedman and Friedrich von Hayek wished to

organise society on one single principle of 'liberty.' What is at stake for Hindess is how social principles or values relate to social conditions, and what part they should play in their analysis, bearing in mind that politicians and policy-makers operate under conditions of uncertainty, and constraints, political, institutional and historical, in terms of how far what they want to do conflicts with what it is possible to do.

Hindess argued that Marshall, Titmuss and Hayek were guilty of the 'essentialisation' of the market (he could have used the term 'anthropomorphise' or borrowed a term from Marx, 'fetishise'). What he means, and both political Left and Right are guilty of, he thinks, is to analyse the market in terms of an essence or inner principle which produces necessary effects by the mere fact of its presence. This is in fact, a version of Marx's theory of the fetishisation of the commodity, the idea that social action itself takes the form of the action of objects. These 'objects' then rule the people instead of being ruled by them (Marx 1957:46). Certain consequences are thus thought to follow merely from the fact that goods and services are provided through market exchanges rather than in some other ways. It is as if there is only 'the market', as if there were an institutional structure of interactions with similar properties in all significant cases and this institutional structure decides for men, who become incapable of deciding for themselves, and become the alleged 'cultural dopes' of, for example, the social structure theory of Talcott Parsons. This essentialism is therefore often shared by Marxists, non-Marxist socialists, libertarians, some sociologists and others, and is manifested by such bi-polarities as: market and plan, private and public provision, production for use and production for profit etc, as if clear and well-understood consequences follow from the choice of one or the other. This essentialism will be re-visited in Chapter Four of this study, where it will appear as a building block of Thatcherism. But, Hindess argues, markets operate under specific conditions: actors, resources, law, custom, relations with other actors and institutions, and it is not possible to determine consequences independently of those linkages. In relation to the concept of the Enabling State, this essentialism, anthropomorphism, fetishisation, can appear as an obstacle to political and social action, by posing a situation where market

provision and public provision can appear as distinct and incompatible principles of social organisation and which, by themselves determine human action.

However, from here it is possible to see how Liberal Democracy is not frozen in time, but has been a process of constant development over time, both the Liberal half and the Democratic half. Bottomore (1963:117) argues that people such as J.S. Mill would not have regarded liberal democracy as a complete 'thing' to be contrasted with some other 'thing', but rather as a process in which rights are extended to more and more groups of formerly disenfranchised people, and in which citizens get better with practice. Hence, democratic government requires of the individual independent judgment and active participation in deciding important social and political questions. But, Bottomore adds, (1963:118) it is odd that in the sphere of employment most people seem to be denied the opportunity to participate in decisions affecting their lives. This itself is a function of the separation of politics and economics, the separation of the life of the citizen from the life of the worker.

There are other questions to be asked of the Liberal Democratic State. What indeed are the functions of the State? In the eighteenth century, the answer to this question might have been to maintain order, by means of law, both civil and criminal, and to maintain security against threats, both internal and external (Raphael, 1975:46). These are essentially negative functions, the prevention of harm to existing rights, the preservation of the status quo. Positive functions were for individuals to develop, and men should be left alone to pursue their own ends – an essentially 'negative' view of liberty. State interference was bad, since it put unnecessary constraints on people. Raphael continued his argument, that in the twentieth century, the Liberal State took on positive functions which may be described as the promotion of welfare and justice – the idea of the New Liberals, such as Hobson and Green. Raphael makes a contrast between the minimal state, which has the aim of preserving rights that already exist, and a maximalist state that has the positive function of reforming legal rights in accordance with current moral ideas of social justice. He ties this to the concept of an 'omnicompetent' (1975:45) state, which he holds makes this State different to other associations. The problem Raphael

poses is, does this concept mean that the State does, may, or ought to undertake any and every possible function? The difference between 'may' and 'ought' might be a matter of philosophy, or might be a fundamental ideological difference, or might even be a technical function of the capacity and competence of the State machine.

To summarise the discussion. It could be argued that what is common to liberal, communitarian and civic republican theories of citizenship is a common assumption that 'citizenship' is the expression of already autonomous citizens and is constructed on the ideal of a homogenous society. The result has been a mainstream debate premised on the assumption that citizens are fully formed individuals able to express themselves in the public domain, but unfortunately, many groups do not have access to the avenues of communication necessary for them to participate – a view expressed by Delanty (2000). The practical political problem therefore becomes not only how to extend rights and duties to more citizens, but how to extend the capacity and competence, how to 'enable' citizens to exercise these rights and duties.

3. CONSIDERATIONS BEARING ON THE CONCEPT OF 'WORK'

Just as Citizenship is a contested concept, so also is 'Work', and how the two fit together might be a matter not only of how Citizenship is viewed, but also, how Work is viewed. This section will therefore similarly examine some salient points regarding 'work', bearing in mind the special sense in which Work is viewed in this study, as synonymous with 'employment.'

It has to be remembered that this study began with a heuristic assumption that employment and citizenship were not connected in one discourse at some point in the past. It would follow therefore, that at some time in the past, the work that the people did was not part of the 'stuff' of politics, not part of the real concern of politicians and policy-makers. The work that the people did, and the conditions under which they did it did not make them citizens. This section will, therefore seek reasons why it should, why their employment should impinge on their status as citizens. This section will, therefore, consider from

the points of view of sociological, psychological and economic factors, whether a 'politics of work' or a political economy of work is possible.

3.1 Sociology and Psychology

Grint (1998) points out that even the question What is Work? is not an easy one to answer. He uses a telling example: let us imagine a woman laying a table for dinner. If this woman was wearing a uniform, and was in a restaurant, and was being paid to lay the table, that would, in the special terminology of this study, count as 'work.' If the woman was at home, laying a table for dinner for husband and children, that would be 'domestic labour.' If the woman was laying a table for dinner with a lover, that would be different again. The same activity can appear as 'work', 'toil', 'drudgery', or 'love.' Grint's point is that what counts as 'work' depends on who does it, how it is viewed, through what lexicon, rather than on the activity itself. Is writing sociology textbooks 'work?'

Just as Marshall's sociological approach to citizenship leads to questions of social rights, as well as political and legal ones, so a sociological approach to work leads to similar questions about work. Although 'Work' is about the production of goods and services, so two other questions can be asked, namely: What does work do *to* people? What does work do *for* people? (Fox 1971:2). Thus, Fox asked, whether an activity which plays such a large part in a person's life can fail to shape them, and if so, how, and in what ways, and to what extent. Fox wanted to know, what do people want from work, why they do it, what expectations or aspirations they have, and how these interact with the organisation for which they work. Also, what new social processes and structures emerged, historically, out of these interactions, and how do they affect the work organisation and the wider society.

As C. Wright Mills put it:

Work may be a mere source of livelihood, or the most significant part of one's inner life; it may be experienced as expiation, or an exuberant expression of self; as bounden duty, or as the development of man's universal nature. Neither love nor hatred

of work is inherent in man, or inherent in a given line of work. For work itself has no intrinsic meaning. (Wright Mills 1951:215)

Hence Fox argues that attitudes to work and having to do it, to employment, to jobs can be inherent to the individual, moulded by their circumstances, and therefore, socially constructed. People are taught what to want and what to expect from work by a variety of socialising agencies – a fact of great importance, and there will be no shortage of groups eager to do the teaching. The State, industry, business, commerce, churches, schools and many others will try to inculcate or encourage certain attitudes to work and discourage others. But societies which allow a large measure of freedom of association and opinion are likely to contain a large variety of diverse philosophies and therefore attitudes to work, and having to do it, and wanting to do it (Fox, 1971:2. See also pp3-8 for a short history of Work).

Allen (1997:54) asks "What is Work for?" The answer might appear obvious. Work makes life possible; it provides things to eat, shelter, things to wear, to sustain ourselves, and those dependent on us. This is the Consumption side of employment. Consumption is the other side of Production. Societies produce in order to consume. Work provides a right to respect, to a feeling of self-worth. It determines status, income, life-style, which are aspects of consumption, and education, which can be an aspect of both production and consumption. Allen argues that humans distinguish work, leisure, idleness and rest, not on the basis of the activity, but by the relationship among those organising and undertaking the work, and the circumstances under which it is undertaken. 'Employment', a relationship between those who buy labour power and those who sell it, was, on the other hand, invented in the course of the nineteenth century. Those who are 'unemployed' are subject to rules applying to the unemployed alone, often denigrated, and their motivation questioned (Allen 1997:62). Both consumption and respect are denied.

Hence 'work' is central to human material existence: to a human's place in the world, to every aspect of social life. Subsistence, caring, servicing people, are all 'Work' to someone, and provide employment:

An inclusive society means that all have a right and an obligation to share in work activities, to share in its products, material and non-material, and a right to be idle....so policy decisions, political decisions open and close options and choices made by ordinary people. (Allen 1997:66)

Already, even in the most general statements about Work, there appear notions of 'right' and 'duty': members of society have both right and duty to contribute to the best of their ability, and a right to rest from work when the need strikes; and right to share in the product of work, while the capacity and competence of the citizens to fulfil their rights and duties will be affected by the decisions of politicians and policy-makers. If the opposite of 'inclusion' is 'exclusion' (Weberian notions, see Weber 1964: Section 1:10), society can include workers as members or keep them out of membership of society.

More specifically, as an economy changes, so the nature of work to be done can be expected to change: the rise of a service economy and the decline in the numbers employed in manufacturing raise questions concerning whether concepts developed in relation to manufacturing can be applied to service work (Thomson & Warhurst, 1998). Thus studies of work can start from the position of the outsider looking at work or from the insider position of the worker, and what the worker feels about work, within contexts of continuity and change, convergence and variability (Thomson & Warhurst 1998).

Moreover, if employment as a social institution belongs within the sphere of production of goods and services in a market economy, there may be unintended but inevitable consequences in that certain forms of experience are forced on the employed (MacKay & Jones 1989:141). Employment provides frameworks within which to organise life, the elements of which are a specific organisation of time, a range of social contacts apart from the family, a demonstration of the need for collective purpose of effort; a sense of status or self-esteem, which contributes to personal identity; and lastly, a regular activity (Jahoda, 1982 Ch 3). These forms of experience "correspond to more or less deep-seated needs in most people, who strive to make sense out of their existence. They need to structure their day; they need wider social

experiences; they need to partake in collective purposes; they need to know where they stand in society; and they need regular activities" (Jahoda 1982:22-23). Thus, employment provides organisation, contact, identity, collective purpose and activity, and for this, the lack of employment, even with unemployment benefit, provides no compensation (MacKay & Jones 1989:143). Jahoda (1982: Ch 3) describes unemployment as an isolating experience which can lead to withdrawal or exclusion from the wider community. This may be so, but does this mean that this isolating experience is part of the business of the State?

On the psychological level, is the capacity for learned, persistent and goal-directed behaviour in groups an innate pattern? Argyle provides a straightforward description of 'work' in the following terms:

(Work) consists of doing things to raw materials in order to change them into a more finished product. It is this finished product which is needed by others, and for which they will pay. The processing of raw materials is done by workers, using tools or equipment of some kind, usually associated with a source of power. The workers need skills, and they use a method of working, a way of using tools (Argyle 1989:29).

This is fundamentally a definition of industrial production, which does not apply readily to clerical, service, management or housework. The contribution of psychology is that it is possible to say that work can create intrinsic satisfaction if it possesses such properties as variety, autonomy, task identity, feedback and impact on others (Argyle 1989). Thus, Argyle underlines intrinsic motivation, achievement, promotion, goal-setting, organisational commitment, work ethic (Argyle 1989:99). Argyle believes work to be a social activity, (in common with Marx, and Weber), and it is nearly always done in groups (1989:114).

On the other hand, it is possible to view employment from an opposite standpoint, starting from the proposition that people do not like work, and have to be 'motivated' to do it, by means of money, piece-work, group-work, measured day work, performance related pay, and so on, a point of view

usually associated with F.W. Taylor or Henry Ford. The view that workers have to be motivated to work by money has been questioned empirically:

The belief that money is the sole, or even the most important of several motives for work, is so foolish that anyone who seriously holds this opinion is thereby rendered incapable of understanding either industry or the industrial worker....the idea of disliking work has never occurred, as the most superficial study of history of anthropology would make clear, to the vast majority of human beings who have ever lived. That there are often many aspects of work which men (sic) do not like, is self-evident, but there are few people who are more happy without work than with it even when we exclude the financial reward altogether (J.A.C. Brown, 1980).

Argyle however, does claim that 'work' can be considered in terms of the 'vitamins' that it must provide, and that unemployed people need to be provided with leisure activities that meet the necessary needs (Argyle 1989:316). But who is to do the providing? Who is to decide what is an appropriate activity?

These ideas can also be expressed in terms of an old normative debate on the socio-cultural meaning of work and non-work in which four well-known positions can be distinguished. Firstly, participation in work is a necessary prerequisite of civilisation and citizenship, because exclusion from work implies exclusion from rights, whereas participation in work is a matter of political emancipation. Exit from work, especially if involuntary, results in the loss of political influence – after all, who speaks for the unemployed? A second position sees work as a necessary precondition for self-expression and social contacts, as noted above. A third position takes the opposite view: exit from work means escape from inhuman working conditions and work-related risks and drudgery. Exit from work means entry into the realm of 'freedom' as opposed to 'necessity.' A fourth position sees exit from work as 'retirement,' an expression of an essential part of societal process of individualisation, and the end of work (De Vroom and Naschold 1994:1).

Not only is there 'work', there is also 'decent work' (Egger & Sengenberger 2001). Here decent work is presented as an aspiration of people, a goal that societies can set themselves, a framework for shaping policies, involving access to employment in conditions of freedom, recognition of basic rights at work, and income to satisfy economic, social and family needs and responsibilities, a level of social protection, exercise for voice and participation, all of which are reflected in the constitution of the International Labour Organisation. These matters might well be matters in which the State may become involved. Egger and Sengenberger see employment as playing a role in the full realisation of individuals and societies, ensuring income, social integration, the self-recognition of the individual and the cohesion of society; on the other hand, they point out that employment can lead to social exclusion by limiting access to jobs, or by providing an income too low to satisfy basic human needs, and by fomenting submission and marginalisation. They also consider full employment as a matter of profound political importance. The ILO Employment Policy Convention of 1964 provides that a basic prerequisite of decent work is that there is work for all who are available for and seeking work, which requires an explicit policy designed to promote a full, productive and freely chosen employment, which is a result of political will on the part of national governments. This may be missing. Also, accompanying the concept of 'employability' is a much less discussed concept, 'jobability', whether some jobs are decent enough to be worth being offered and filled. However, discussions on these lines move into a highly complex area, involving geography, family type, hours of work, pay levels, lifestyle, gender, ethnicity, skills, industry and national economic structure and the nature of global competition (see Cooke & Lawton 2007, and Hewitt 1994). How the State can become involved is not, at this point, clear.

The concept of 'work' contains another major problem presented by Esping Anderson (2000) which is posed by the nature of modern work. Esping Anderson was interested in the extent to which manufacturing industry has been replaced since the 1970s by the so-called 'new service economy', which, he said, can comprise high-skilled work, such as doctors, nurses, social workers. But there is also an area of labour-intensive, low-skilled services that

represent marketised conventional domestic tasks, such as waiting, child care, care for the aged, haircuts, restaurants, cleaning, laundering, repairing; in short, the equivalent of what used to be domestic labour. The dilemma posed by Esping Anderson is that to professionalise this service work means that it can only be done by professional, well-qualified people, which shuts out, 'excludes' the mass of the population; on the other hand, to extend this work without professionalising it can create masses of 'lousy' jobs. At one end of the spectrum is a stagnant sector creating exclusion and unemployment; at the other is a more 'proletarian' job mix. He notes how, as one way of State involvement, Sweden has created a public sector of work for masses of low-skilled service workers, at wages that the private sector cannot afford to pay, since in Sweden, it is a political decision that inferior jobs do not need to be low-pay, nor do they need to be inferior welfare. There are no private sector 'McJobs' in Sweden (Esping Anderson 2000:111). It may well be that not every worker can be a highly paid professional, and it may well be that society needs its 'hewers of wood and drawers of water', but Gilbert (2002) has observed that there can be a risk that society comprises a mass of low-skilled workers, who have to be found work to do at their existing skill levels, who are paid well enough to have no incentive to upskill themselves, and that this situation might leave up to 80% of the working population as low-achievers, dependent on a public sector to provide them with paid work to do, leaving the public sector, in effect, as a monopsony for low-skill work. The problem can be exacerbated by potential problems of productivity and the high taxes needed to pay for public sector work to be done. If this is a way of introducing a 'politics of work', it certainly has its costs.

3.2 'Work' in the discipline of Economics

It was noted above that according to L.T. Hobhouse, Liberalism became, from the 1840s onwards, associated with Manchester Free Trade economics, and through this, with neo-classical Economics. (By the term 'classical political economy,' we mean, as did Keynes, up to and including J.S. Mill. The last great classical political economist was Karl Marx). It is necessary therefore to include a note on the basic propositions here, as Chapter Four will investigate the economic aspects of work, as those aspects apply to the labour market.

This note is included here among our introductory remarks, as these factors must be borne in mind throughout our study, especially in view of how the views of economists can influence governments.

According to Lekachman (1969) neo-classical economics, through the theory of marginal utility, came to be based on five assumptions, viz:

- 1) Work is painful and never undertaken for its own sake
- 2) Additional work becomes more painful hour by hour
- 3) Wages are pleasant because those who receive them can use them to command pleasurable objects and services
- 4) Nevertheless, additional wages yield less pleasure, pound by pound, than their predecessors, because they gratify tastes of diminishing urgency, for individuals buy items of greater pleasure with their initial pounds of income.
- 5) Therefore, any worker will offer his/her services to an employer only in the anticipation that the pleasure he/she receives from the wages which are the reward of his/her effort exceeds the pain which the additional wages causes. Hence, in a competitive labour market, workers cease to labour just before the point where additional pleasures match additional pains (from Lekachman, 1969:74. See Beinhocker, 2007: Ch Two for an account of the influence of Walras and Jevons, in the form of 'Traditional Economics'.)

These five propositions describe the 'marginal disutility of work' (Lekachman, 1969:74). They are based on the strict Utilitarianism of Jeremy Bentham, and, also, be it noted, are deduced from a series of assumptions concerning the nature of the human race, rather than having been induced from empirical evidence.

This theory imputes to the worker the maximising, rational calculating tendencies upon which economic theory has habitually based its explanation of human behaviour, and it follows, Lekachman continued, that any worker had it in his power to find employment provided he is prepared to revise his psychic

computation of pain and pleasure so as to work more hours at existing wage rates; or, to work the same number of hours at lower wages; or, if unemployed, to accept a job offer at a wage lower than he previously deemed acceptable. Therefore, says this theory, workers can obtain work if they are prepared to accept lower wage rates. Long term unemployment must therefore be voluntary – workers have 'chosen' leisure over work. These propositions will be met again in Chapter Four herein, The Disabling State, where, it will be argued, they describe the beliefs about the labour market held by Conservative politicians in the 1980s.

The second point to note about this theory is that, in neo-classical economics, work itself provides no utility. The only purpose of work is to provide the worker with income, and work had no intrinsic value in itself. The consequences are that theory must revolve around the wage, and labour market policy, insofar as it exists, must be couched in terms of the wage, which becomes the only factor determining whether the worker takes a job or not. The skills and attributes of the worker, the nature and operation of the employer, in terms of, for example, reputation as a good or bad employer, are deliberately excluded from the theory. Furthermore, in this theory, unemployment becomes a matter of individual vice or virtue, fortune or misfortune. Unemployment is not a systemic problem within the economy itself. It is so far not clear what would happen if it became clear that unemployment was such a systemic problem. And also, it is not possible to construct from this theory therefore, any kind of politics of work.

There are difficulties within the neo-classical theory, noted by some outside the discipline of Economics (although the theory is easy to criticise). It can be seen from the above that economists tend to view employment and unemployment from a framework of voluntary choice. In common with theories of citizenship already discussed, the individual is deemed to have the opportunity to exercise control over his status. Within the economic framework, employment and leisure are substitutes, that is to say, one can be replaced by the other in an easy, non-problematical, cost-neutral, manner, unbound by time. Substitution means that a reduction in employment involves compensation in additional leisure. Individuals have opportunities to select the

combination of leisure and work that maximises their welfare. The wage return is the sum necessary to compensate for the marginal disutility of work. Thus, if unemployment benefit is increased, then the worker has an incentive to substitute unemployment (voluntary leisure) in place of employment, when the opportunity cost of leisure is reduced. Hence, in neo-classical equilibrium economic theory, unemployment is, again, voluntary. This school of thought sees movement into and out of work as a simple, straightforward matter, requiring little more than a decision. The theory of labour supply is developed on the assumption that the individual is free to vary his/her degree of involvement in the labour market. Thus, those without employment are seen as offering labour services that they value (price) at a higher level than the market values. Behaviour that is inconsistent with the underlying assumptions is deemed 'irrational' (MacKay & Jones 1989:137-9.)

Schumpeter (1951:227-235) made an interesting intervention here when he argued that the conventional view held that the economy grew like a tree. In itself, it proceeds steadily and continuously; each situation grows out of the preceding one in a uniquely determined way. The individuals count individually for no more than do the individual cells of the tree. So, what appears is a passive response to given stimuli. This extends even to the accumulation of capital. Households and firms save and invest what they have saved in given investment opportunities, in a purely mechanical way, with a given propensity to consume, a given liquidity preference, a given marginal efficiency of capital. In the discipline of Economics, objective opportunities become created and actors react to them in a uniquely determined manner that can be taken for granted and is predictable. To Schumpeter's mind, (and he included Keynes in his critique) this view excludes from sight the most striking feature of capitalism, the incessant revolution, by a 'disruptive innovating energy', of existing industrial and commercial patterns (Schumpeter, 1951: 406-428).

The point of this intervention will become apparent in Chapter Four, where it will be argued that the reason for the failure of Conservative labour market policies in the 1980s was that the formal discipline of Economics led politicians and policy makers to fail to understand the nature of the labour market, and, in

the face of mass unemployment, to start from an incorrect place, and follow incorrect policies. This was true of economists and politicians across the political spectrum, both Left and Right. Schumpeterian economics emphasised human intervention, for this 'disruptive innovating energy' is the drive of entrepreneurs constantly to invent new products, new tools, and new methods of working. This innovation is what drives the labour market to create jobs, in the form of new activity, even as it destroys old ones.

The relevance of the above section is further that it will be argued in Chapter Two that a Schumpeterian understanding of the labour market is at the heart of New Labour employment policy, even if New Labour politicians do not mention Schumpeter himself, for his offspring, endogenous growth theory, (as in 'post neo-classical endogenous growth theory') is a line of reasoning that can be followed from Schumpeter, through Solow (1987), Romer (1997) and Beinhocker (Beinhocker, 2007), and New Labour has used similar arguments to justify its own interventions in the labour market.

It can also be said that Schumpeter's critique is of the same genre as Hindess's critique of Titmuss and Hayek. Marx, as has been noted, theorised the fetishisation of the commodity, the idea that the commodity became, for some (but not him) an object in itself, and as an object, dictated to, determined the actions of humans, rather than the other way round. As Hindess noted, the attempt to organise society on the basis of one principle only, whether, from the Left, in terms of 'equality' or Right, in terms of 'freedom' results in the same kind of determinism. Here also, in the case of neo-classical economics, we find the same fetishisation, in this case of an economic system, which functioned all by itself, without human intervention. If this were so Government intervention in the economy, of any kind, would be neither desirable, nor feasible. This echoes Malthus, who famously argued that there was no point in the workers trying to improve their situation in the face of the immutable laws of Political Economy, which confined them perpetually to bare subsistence. Even the attempts on the part of workers to form Trade Unions could not be justified in the view of the followers of Malthus. If therefore, a politician wishes to justify a set of Active Labour Market Policies, the first step might be to overthrow neo-classical economics. It might be the case that

neither political Left nor political Right would wish to do this, the one because it has no interest in over-throwing itself, the other because its object could only be achieved by 'The Revolution.' In either case, the result is the same: a political economy of work that treats workers as objects, rather than autonomous subjects, agents in control of their own destiny.

A political economy of work that treats workers as 'subjects'? Where to begin?

3.3 Workers as subjects: the concept of self-realisation

The process of seeking an alternative to neo-classical economics, especially in relation to concepts of self-realisation of an autonomous subject, can be begun by reaching back to the work of the young Karl Marx. What follows is partly based on the *Economic and Political Manuscripts* of 1844, (EPM), and Marcuse's (1932) interpretation, the *Founding of Historical Materialism*. (It should be noted that the term 'Man' is used in Marx's sense, to denote 'humans.')

For Marx, bourgeois political economy treats Man as 'something unessential', whose sole existence is determined by the separation of labour, capital and land, by an inhuman division of labour, by competition and by private property. It scientifically sanctions the perversion of the historical-social world of Man into an alien world of money and commodities, which confronts Man as a hostile, alien object. Marx therefore started from a concept of labour and the form of existence of the worker in capitalist society.

In the EPM Marx formulates three propositions, in which 'Work', 'Labour' appears as:

- Man's coming-to-be for himself within alienation, or as alienated Man
- Man's act of self-creation or self-objectification
- Life-activity, productive life itself

So, says Marcuse, Labour, Work, is Man's self-creation, the activity through which and in which Man really becomes what he is by his nature as man. He does this in such a way that this becoming and being there are for himself, so

that he can know and regard himself as what he is (man's becoming-for-himself). Labour is therefore, a knowing and conscious activity: in his labour, man relates to himself and to the object of his labour; he is not directly one with his labour, but can, as it were, oppose it. The fact that man in his labour is there 'for himself' in objective form is closely related to the second formulation: Man is an 'objective' or 'objectifying being.' Man can only realise his existence if he realises it as something objective, by using his essential powers to produce an external, material, objective world. It is in his work in this world (in the broadest sense) that he is real and effective. In creating a world of objects by his practical activity, in his work on organic nature, Man proves himself a conscious species being. In this activity Man shows himself as the human being he is according to his 'species' as distinct from animal, vegetable or inorganic being. Labour, understood in this way, is the specifically human 'affirmation' of being in which human existence is realised and confirmed (Marcuse 1984:13-14).

From this position, where Man realises himself through his work, it is possible to deduce that Marx's supreme value might be self-actualisation, to use Maslow's (1987) term. Man actually creates himself, and is free to the extent that he is able to create himself on his own terms (Marcuse 1984:16). He is able to freely engage in activities and realise his own potentialities (Marcuse 1984:32.)

However, these ideas can be difficult to operationalise, but an attempt to operationalise the concept of self-realisation was made by T.H. Green, who, in his lectures on political obligation did refer to Hegel, although not to Marx. To Green, the concept of a consciously self-realising person involves a principle "that is determined to action by the conception of its own perfection, or by the idea of giving reality to possibilities which are involved in it and of which it is conscious as so involved," (Green 1901:23); in other words, for Green, a man is free if conscious of his own perfectibility and possibilities of self-improvement, which entails full realisation of his moral capabilities. The argument is complex, but the essence of it is that self-realisation can only be done by a self-conscious, self-determining human person, who "has the impulse to make himself what he has the possibility of becoming but actually is

not andundergoes a process of development, but seeks to and does develop himself." This is achieved by a man who is not merely a passive receiver of sensations but a creative, constitutive actor. What are the powers of man, and in what type of activity are they to be realised? "We can form no positive conception of what the ultimate perfection of the human spirit would be.... The true good could be pursued by the craftsman or writer, set upon making his work as good as he can without reference to his own glorification; by the father devoted to the education of his family, or the citizen devoted to the service of the state" (quoted by Greengarten 1981 36 -42.) What we see here is activities, and these constitute the process of self-realisation. It does not follow that all persons must be developed the same way.

Green himself wrote: "so far the modern state, in that full sense in which Hegel uses the term, does contribute to the realisation of freedom, if by freedom we understand the autonomy of the will or its determination by rational objects, objects which help to satisfy the demand of reason, the effort after self-perfection." (Green 1901:7) "The practical conception by a man of a self-satisfaction to be attained in his becoming what he should be, what he has in him to be, in fulfilment of the law of his being, " (Green 1901:17) "By a consciously self-realising principle is meant a principle that is determined to action by the conception of its own perfection, or by the idea of giving reality to possibilities which are involved in it and of which it is conscious as so involved; or more precisely, a principle which at each stage of its existence is conscious of a more perfect form of existence as possible for itself, and is moved to action by that consciousness" (Green 1901:20.)

These ideas can be interpreted in many ways. One example is "power in a man to control and direct his own life, instead of drifting on the currents of fortune and self-indulgence" (Jowett, quoted by Richter 1996:68). Or, to become conscious of, to make real. Man realises himself by being conscious of his 'higher' or 'better' self; the effort to make the self real, by seeking to make his actual character identical with the idea he has of his better self (Richter 1996:104). The process is gradual and grows over time and occurs only in individuals. This was Green's concept of freedom itself.

This concept of self-realisation is not unproblematical. Green himself conflated it with notions of 'the common good' (Richter 1996:257), which makes difficult any conflict between individual desires and social harmony. The notion can either be too vague to be useful, or if defined too tightly, can open the way for coercive views imposed by elites, but concepts of self-realisation of Marx and Green do offer a way of thinking about employment alternative to neo-classical concepts of work in itself as having no utility at all.

Seen in this light, what can be gained from Green's thought is the idea that the function of the State is to free its citizens from hindrances and disabilities so that they may develop their moral potentialities, and of removing obstacles to personal development (Green 1986: 194-212). Thus, Health and Safety legislation, limits on hours of work, compulsory education policies, limitations on pub opening hours, for example, could mean action by the State to augment, rather than diminish the independence and self-reliance of the people. This was the opposite of the prevailing (1870s) liberalism. It means establishing minimum standards, rather than prescribing models and forcing economic change on whole societies. Green's ideas are ambiguous, and his prose style was opaque: different followers drew diametrically opposite conclusions from his writings. However, Arnold Toynbee was able, drawing on Green's thought, to argue that where the people cannot help themselves, they ought to be able to rely on the power of the State to help them, without compromising traditional Liberal values of self-help and independence (Richter 1996:289). This was not an easy position to maintain, but it did enable Liberals of the 1880s to break out of Old Liberalism and grope towards a new State praxis.

The importance of this view of Work is that from it, it is possible to arrive at an understanding of Man as a moral and capable social actor, who creates his own world. Men are not always hapless victims, marginal social actors, playing little or no part in their own futures. They are active human subjects, makers of their own history, even if not always just as they please. It will be shown in Chapters Two and Five how this view, of Men as self-realising creators of their own world, is at the heart of the Theory of the Enabling State, and how this concept stands in sharp contrast to previous theories of the

Welfare State, which do start from the concept of 'victimhood' (Rose 2006, Sharone 2007).

Furthermore, feminist theories might ask whether 'work' is gendered, whether 'work' is something only men do. This however, seems to be a matter of historical contingency. Spencer (2004) describes how before the industrial revolution, on the farms of England, the Lady of the House most definitely worked, organising the production and sale of milk, cheese, poultry, organising the production of meals for all who lived on the farm, was in fact a genuine household manager, who shared in the work of the farm, shared the status of the farm, shared in the rewards. It was quite common in the seventeenth and eighteenth centuries for women to own shops and brew and sell beer on their own account. In 1792, Mary Wollstonecraft bemoaned the fact that middle class 'ladies' precisely did not work, but lived empty lives of leisure. Wollstonecraft believed that women ought to work for a living. Forcing women out of paid work was, it will be argued in Chapter Three, something that happened after 1842, with the passing of the Factories and Mines Act, a means by which men tried to force employers to pay a living family wage. In the modern era, Benazir Bhutto (2008 Ch 6) has argued that the right of women to work outside the home, as a means of achieving economic independence, is a part of women's rights generally, and an important building block of democracy itself. Even the wife of the Prophet worked for a living.

3.4 Summary

Let us at this point, pause to summarise the story so far with regard to "Work."

"Work" itself is an ambivalent concept. Even the question "What is Work?" is not an easy question to answer, depending as it does, on who is viewing it, and through what lexicon, rather than on the activity itself. "Work" is everything and nothing. It may have no intrinsic meaning, it may have very intrinsic meaning. It can be viewed in a purely instrumental manner, as providing material living. It can be viewed for its psychological effects, as providing company, comfort, social status, a means of structuring the day. To be without work is not to experience life as leisure, but life as 'anomie,' to be cut off, excluded from mainstream society. Work is central to human

existence, decisions by policy-makers and politicians influence and determine the conditions under which work is done and the rewards to be got from doing it. For the young Karl Marx, to work, to labour, but not necessarily to toil, is to realise oneself as a human being, to act out life on the stage of humanity. As such, to work is the most natural thing in the world, and is beyond notions of 'rights' and 'duties.' To work is simply to become human.

The question of how Work entered the discourse of politics or citizenship is, from what has been said so far, somewhat problematical. To be sure, the Civic Republican tradition does not look promising. This tradition has been shown to value a citizen who owns land, possesses wealth, but does not actually 'work' for a living; indeed, to a civic republican to 'work' may even disqualify someone from citizenship, as having insufficient time or leisure to engage in citizen-like activities. The Liberal Democratic tradition, however, especially as developed by Mill and Green could give rise, normatively, when combined with the views of the young Marx, to a way in which employment can enter the discourse of citizenship. From this point of view, the emphasis on self-development, self-realisation, autonomy, and the barriers thereto, discussed variously by Mill and Green, appear to lead in the direction desired. It has been noted (p15) how Held listed the creation of the best circumstances for citizens to develop their nature and express their diverse qualities, expression of economic opportunity to maximise their availability of resources, as building blocks of the Liberal tradition itself. The concept of 'autonomy' has been used by Van Steenberg, and Clarke, as meaning that the citizen should be able to act for reasons of his/her own, and to take responsibility for their actions, which can be, in the realm of citizenship, oriented to the public good. Furthermore, the struggle for rights (p13) on the part of groups, classes and movements to gain degrees of autonomy, and to overcome obstacles thereto has been noted. These struggles were seen as fights for liberty, the power to act, or not to act (Locke 1965 Ch 21), to share in rights and privileges reserved hitherto only to elites. These struggles constitute an ongoing process.

4. POST 1992 SCHOLARSHIP

The discussions above have noted that it is not easy to link in particular, civic republican ideas of citizenship to Employment, if only because in this tradition, a good citizen is wealthy, but not from Employment. The Liberal tradition, where restricted to legal rights, equally, has not found it easy to incorporate economic citizenship with political citizenship, especially in the Marshallian tradition, which sees the market as an area of inequality, to be contrasted with political citizenship as an area of equality, despite the reservations expressed by Hindess in this respect. There is, however, a third genre of literature, which appears to have developed after the Maastricht Treaty of 1992, in the context of a Single European Market, to be considered, to which this section will be devoted.

Marshall's 1950 version theorised a kind of social citizenship concerned with the welfare of people as citizens, including in the concept of welfare issues of education, health and quality of life, tied to a then Beveridgean welfare state. His vision has subsequently been challenged by forces of social, structural change, such as post-industrialism, globalisation, ecology, the politics of neo-Conservatives and the New Right, and new social movements, such as feminism, Greens, etc.

Roche (1992) began to rethink citizenship in the face of these new challenges. Roche believes that he encountered a view of citizenship associated with the advent of capitalism, the nation state, which was given voice by the English, French and American Revolutions, which announced 'natural rights', the 'Rights of Man', and 'Liberty, Equality, Fraternity.'

Much of the history of the twentieth century has been a story of 'citizens' struggles, whether to defend their rights, to extend rights or to give substance to civil and social rights. This struggle was put on the map by Marshall in 1950 (Roche 1992: 17.)

Roche, therefore, taking a sociological approach, found three major issues:

- The nature of the citizen and their world/community, the subjectivity and sociality involved in citizenship. The social resources, skills and powers

needed for its exercise, norms and values, rights and duties, inter-citizen, citizen-state relations.

- The social structural context of citizenship and the community, cultural, economic and political systems, determining capacity to develop, in terms of enabling and disabling.
- The problem of change. How change happens and what changes are likely in the future.

Beginning from the Beveridge Report of 1942, Roche argued that social rights enable people to participate in a civilised society, to complete the achievement of civil and political rights, and also to counter the inequalities deriving from an industrial capitalist economy. The Beveridge Report was intended to construct a new system of rights, including unemployment, disability and retirement income and to health services; this system needed (as Beveridge knew) full, male adult employment to set a base upon which people could build. It was a dominant theme, Roche argued, that citizens had endured hard times in the 1920s and 1930s, had served as soldiers at their King's need, and consequently, the State owed its citizens.

The paradigm that emerged entailed assumptions about the nature of the modern state, successful capitalism and economics which were called into question during the 1970s and 1980s from both Left and Right.

Given a welfare system that could only be maintained by full employment, the question of employment thus comes into the citizen/employment equation, and it became possible to ask to what extent is work, employment, an important source of social relations which form the basis of other kinds of social relations, and what can be done for those groups whose relationship with the labour market is precarious and variable, and those who are excluded altogether (Madanipur, Cars & Allen 1998).

At the same time, it becomes possible to think of politics itself, not just in terms of formal institutions, but in a more general way, as 'governance', which can be defined as any kind of activity where people come together to perform activities of mutual benefit, or where agencies perform what is justified in the

collective interest. The boundaries between public, private and voluntary begin to shift (Heater 1999.)

However, Coenen and Leisink (1993) believe that the relationship between work and citizenship has still not as such become the focus of substantive analysis, and the question of citizenship itself lay in abeyance after Marshall's 1950 lectures. They believe that the reason for the lack of analysis may be that citizenship is seen as associated with the public relationship between State and citizen, whereas employment is a private matter between employers and employees. Politics is the 'public' realm, whereas the economy is in the private realm of getting and spending. So, Coenen and Leisink argue, the 'crisis' of the welfare state of the 1980s was directly related to employment, and the lack of it, and to the transformation of work, and consequently were able to ask, but not answer the question, is 'Work' under the citizenship rights in the economic field, or is it an obligation?

Later, Twine (1994) developed a line of reasoning starting from a notion of the interdependence of human actors, who have freedom to make themselves, although not in circumstances of their own choosing, who are social creatures, able to act collectively to change structures that constrain them. Twine thus attempts to show how this interdependence of producers and consumers through the division of labour means that choices have repercussions for other people, which create social obligations, and as their obverse, social rights.

Twine was interested in how access to resources affects the choices people are able to make. Citizenship is, for Twine, a social relationship between people and institutions which both constrain and enable. He rejected a sharp distinction between public and private life on the ground that the wider community and its idea of a common good shapes individual character. He studied how human social nature and the nature and content of political rights affect and mediate the development of civil and social rights. For instance, how do societal messages of low worth and stigmatisation damage self-identity and affect health behaviour. The division of labour and participation in the labour market create a primary distribution of income, which results in class differences in income which affect the life-chances for the development of the

Self. Twine was interested in how the establishment of political rights has provided the means by which the mass of the people could shape the social worlds through collective action through public choice. He believed that it is possible to redistribute and democratise choice. This, choice, has become a key New Labour theme.

Twine attributes the idea that a self-regulating market demands the separation of society into economic spheres and political spheres to Polanyi – a separation which leads to 'work' being outside politics, yet, in a democracy, government might have to interfere in the sphere of contract law and the effort bargain, by, for example, minimum wages and Health and Safety legislation. Hence the economic cannot be outside politics, nor can political power be abdicated to employers outside the democratic process. For Twine, it is a matter of whether humans are to be seen as sovereign individual choice-makers or interdependent ones. Twine's view was that humans are social beings whose development arises from their interdependence on one another.

Twine's view may stem from ideas about the nature of the change in the employment relationship itself developed by Blauner (1964) and Burawoy (1979, 1982) who both see the worker as an 'employee' who has acquired rights, such as security of contract, seniority, property rights in a job, ruled by a system of institutional justice. Burawoy in particular has argued that firms, especially large ones, such as Ford Motor Company and General Motors, with a Human Relations Department, have become an 'internal state' in which there is now a bureaucratic administration, which enhances a normative consensus of 'The Rules'. This consensus has been built up through the contract of employment which lays down universal standards of justice (the same rules for all, all are subject to rules; these rules are written down in a disciplinary code, and are known to all employees in advance); the contract of employment, and the disciplinary code lay down a standard of fair treatment, and make it possible for employees to acquire a form of 'industrial citizenship' status.

The idea of Worker as a citizen with rights at work is developed further by Schöman et al (1998:10). For them, the employment relationship (not the Contract of Employment) is defined as a status which, in legal terms, is

constituted by a floor of rights granted by statutory employment protection legislation independently of the terms agreed on in the contract of employment, which specifies what is, and is not allowed in such a contract; for example, in England, the Factory Acts of the 1830s and 1840s which limited the working day and limited the participation of women and children. Hence, employment protection measures become a means to shape the employment relationship in legal terms and to equalise a socially unequal relationship between employer and employee. This protection of a minimum standard becomes a condition of the adequate participation of the employee in social life, since the employment relationship constitutes the economic basis of the subsistence of the employee.

However, Schöman et al continue, the standard employment relationship is assumed as both factual and legal relationship and can be threatened by factual changes in the forms of work. The theory assumes an unequal relationship between employer and employee, whose existence justifies legal measures of employment protection. Thus, labour law becomes a balancing act between employer and employee, and, empirically, may tilt first one way, then the other. From this perspective atypical work undermines and erodes the standards the law provides for a 'typical' employment relationship. There may be a 'standard employment relationship', but what if there were no such thing as a 'standard worker'? Schöman et al do not believe that it can be the function of labour law to prevent the flourishing of new types of work and employment relationships by insisting on a negative perception of eroding a sacred standard of employment relationship.

The notion of a 'standard employment relationship' returns the discussion to Blauner (1964) who argued that it is necessary to replace the 'sociology of industry' with a 'sociology of industries.' There is, Blauner argued, no single experience of work, no two factories are alike, no two industries are alike, and it is not possible to suppose that Worker A in the car manufacturing firm will feel the same way as Worker B in a small garage. An undifferentiated global image of industrial life would be wrong.

The point of the discussion from Coenen & Leisink onwards is that it may be that one reason for the difficulty of linking the discourses of employment and citizenship has been the extent to which 'employment' has been seen as a matter of a private relationship between employer and employee, whereas 'citizenship' has been seen as a matter of the public realm, and different. But this distinction itself may have been an ideologically based myth, given the extent to which governments have historically intervened to legislate on such matters as what is, and is not allowed into a contract of employment, and how employers and employees, singly and collectively, must behave to each other in the field of *Industrial Relations*.

5. CONCLUSIONS

Thus far, this study has identified a number of guises in which citizens may appear, and the result is a wide field of study, too wide for our purposes. This study has noted two main traditions of citizenship thinking that have been influential in Britain and the United States, the civic republican and liberal democratic ones. The civic republican tradition presents some difficulty in finding a discourse that might lead to an Enabling/Welfare to work regime, because, while a citizen must be sufficiently wealthy to be able to devote his time to public affairs, that wealth cannot come from employment, as the mechanic or hireling would not have sufficient time available for such affairs. Indeed, in the ancient Greek city-states, 'work' was done mostly by women and slaves.

The liberal democratic tradition, likewise, presents difficulties. It may be that the aim of a liberal regime is that people should be free, but the precise nature of this freedom, what citizens should be able to do, what they should be free from, is itself a subject of perennial debate. What both traditions have in common is that in both, the citizen is presented as an always-already formed actor on the stage of life, with no matching conception of how that citizen came to be there. Concepts of capacity and competence to act, concepts of becoming, seem to be absent.

Turning our attention to work, employment, jobs (this study uses all three terms as synonyms: we do not mean 'work' in general, as an abstract concept,

and have confined our attention to work as meaning 'employment', whose antonym is 'unemployment', not 'leisure') it is possible to see work through the various lenses of the sociologists, psychologists and economists, but it has not been possible so far to include in the discourse any concept of citizenship that might link the two together, in such a manner as to lead to any concept of an Enabling State or Welfare to Work regime. Certainly, it is possible to ask what work does to people, and what does work do for people, whether in the realm of social relations, in the realm of the individual mind, but it has not yet been possible to move beyond this. Through the eyes of the economists, 'work' can be seen as having no utility of its own at all. Once again, the problematic has been that the human actor is presented as already, always perfectly formed, job ready, with all necessary capacities and competences: how the actor came to be that way, how preferences came to be formed, is not part of the material to be studied.

However, it has been possible to find a mode of discourse that might lead to discussion of the Enabling State/Welfare to Work regime through the work of Marx, through Hegel, out of T.H. Green. In this mode of thinking, Man creates and re-creates himself by and through his work in this world, and becomes himself. It is but a short step to add the modern language of capacity and competence, the skills with which Man performs all this activity. Common to the thinking of Marx and Green (we have no evidence that Green knew who Marx was, nor that he did not) was the idea of Man as a social animal, a being who became what he was through and by his interaction with other men. From here, Green was able to theorise Man as a member of society; without society, or its political manifestation, the State, neither rights nor duties could exist. Green opposed doctrines of "Natural Rights", rights that could exist without political society. Because Man was a social being, Green could pose, for example, the question of whether the State could legislate in the field of Factory Acts. The Liberalism of his day argued that it could not, for such legislation would be an infringement of individual freedom of contract. But Green could argue that, in the circumstances of his day, labourers were not in practice able to negotiate freely, since they were not in a position to refuse the offer of a contract of employment, due to the necessity to earn a living

somehow. The State therefore, had a right, and duty to intervene, in order to protect workers against themselves. He could use similar arguments to justify a system of State education, which older Liberals could not; and also, to introduce controls over the sale of drink: the relationship between a man and his drink might be a private one, into which the law had no business, but the relationship between the publican, the man, and those who might suffer when he was drunk were public matters and could justify legislation to protect men in their rights against other men.

In another guise, the work of scholars such as Roche and Twine has shown how social rights have been added to civil and political rights by means of political action. Interdependent human actors, social actors, have, or can find freedom to make themselves, although not always in circumstances or manners of their own choosing: they can find spaces in which it is possible to act collectively to change structures that constrain them. Political, social and civil rights affect and mediate each other in ways that affect the life chances of a self-developing human actor. An example would be the idea of the worker as a citizen with rights and entitlements defined by law.

Green, however, who made these arguments in the 1880s, could only make these arguments in the context of England of the 1870s and 1880s. He could not have used the same arguments in the context of a peasant society, in which factories had not yet been invented. This suggests that the relationship sought in this study cannot be made in the realm of pure theory, as it is not possible to theorise about events which have not yet occurred, nor about entities that do not yet exist. The consequence is that the nexus sought in this study can only be found in empirical history: the origin of the Enabling State and its component part, Welfare to Work, must be sought in the actual events of the lives of the people in History. Consequently, in the next Chapter, this study will endeavour to conceptualise the Enabling State through the discourse of the political actors who were or are, engaged in creating it. It will then be possible to read history backwards, in order to trace, empirically, in history, its origins and antecedents.

CHAPTER TWO: NEW LABOUR AND THE ENABLING STATE. RHETORIC AND THEORY

Today, for many it (socialism) means little more than a scheme for compensating the least fortunate in an unequal society – Gordon Brown, Red Paper, 1975, *quoted by William Keegan, The Prudence of Mr Gordon Brown*

1. INTRODUCTION

The aim of this chapter is to state and examine the concept of 'The Enabling State' enunciated by Labour Government Ministers in the rhetoric of their speeches, and then in academic discourse, and in particular, to root these concepts in earlier traditions of working-class independence, autonomy and respectability outlined in Chapter Three of this study, and also in concepts of Beveridgean welfare reform. Much has been written on various aspects of the New Labour Governments¹. Much of this work has been on the impact of New Labour, or on particular areas of policy, such as Welfare in general, or the New Deal in particular. The concept of the Enabling State has not been prominent among these writings. Hence, in this chapter, key elements of what Blair, Brown and other ministers and thinkers have referred to as an 'Enabling State' will be analysed, in order to build up a coherent picture of the concept, from their perspective, the building blocks of enablement.

In the first substantive part of this chapter, Ministerial speeches will be taken, in part, as attempts to develop the concept of the Enabling State, as a perlocutionary act, encompassing what the Ministers perceive themselves to have done. In the second part, the talks and articles of the Brisbane Institute will be used as a comparator to the first, to examine the concept of 'enabling'

¹ For economic policy, see Arestis and Sawyer (2001), Buckler and Dolowitz (2004), Clift and Tomlinson (2006), Hay (2004), King (2005), Layard (2001, 2004), Lloyd and Payne (2002) Nickell (2002), Szreter (2000), Wood (2001). For Party history see Davies (1996), Dell (1999), Durbin (1985), Fielding (1995), Hughes and Wintour (1990), Jones (1996), Shaw (1996). For biographies of Blair and Brown, see Rentoul (2001), Routledge (1998), Keegan (2003). For New Labour language, see Beard (2000), Callaghan et al (2003), Fairclough (2000), McSmith (1997), Mullard (2000), Powell (1998), Sully (2000), Prideaux (2005), Wells (2000), Wring (2000). For general reviews see Beech and Routledge (2004), Chadwick and Heffernan (2003), Coates and Lawler (2000), Colebatch and Claridge (1999), Cronin (2004), Driver and Martell (2002, 2003), Favretto (2003), Finlayson (2003), Heath et al (1999). For the religious aspect, see Dale (2000), Leach (2002)

more fully, from the Australian point of view. The third section will examine the concept as seen by Government Departments, chiefly HM Treasury and the DWP. The fourth section will consider such academic writings as bear on the concept of 'enabling.' A fifth section concludes by summarising the nature of the Enabling State.

First, it is necessary to bear in mind the intellectual background of the Labour Party, as context for modern Labour thinking.

It is to be noted that Blair and, in particular Gordon Brown, both claim to be influenced by New Liberal thinkers such as T.H. Green, Huxley, Beveridge, and Hobhouse, who, at least in Brown's view, and as will be argued in Chapter Three, began to redefine the relationship between citizen and civil society and the State towards the end of the nineteenth century. According to Pinker (1999), this New Liberal thinking laid the foundations of a more interventionist theory of the State based on a positive concept of liberty which made provision for greater equality in welfare a precondition for the equal enjoyment of personal freedom. These New Liberals were in the ascendancy in the 1890s and 1900s, when they had superseded Gladstonian Liberalism. Sullivan (1999) notes how working-class people at that time were profoundly mistrustful of the State that seemed to them to be an organ that made rules for them that it did not make for others of different classes. Working-class people wanted independence from the State, not what would now be known as 'Welfare'. According to Sullivan, the alliance between Labour and New Liberal before the Great War was an alliance of New Liberalism and ethical socialism, both simply revolted by the conditions under which millions of fellow human beings had to live. These sentiments had their foundations in Christian obligation and social morality, rather than in beliefs about the existence of class war. R.H. Tawney, T.H. Marshall and C.A.R. Crosland all followed in this tradition. The aim of the social services was to be to enable citizens to live a civilised life according to the standards of the society in which they lived. Neither Tawney, Marshall, Crosland, or even Beveridge envisioned the State replacing the efforts of citizens to provide for themselves. Ideas such as these New Liberal ones can be argued to be an embryonic Enabling State in this respect, as has been noted by Skidelsky (1999). New Liberal/ethical socialist ideas included

reform of education, Union rights, franchise reform, House of Lords reform, building of houses, reforming the Poor Laws, reform to laws of the employment contract, ending the Master and Servant relationship in the employment contract, and introducing National Insurance and the Labour Exchange.

Page (1999) noted that even in 1999, the labour market remained overwhelmingly the source of material welfare for the vast majority of citizens, either directly or through immediate personal dependency on a wage-earner, but, as noted in Chapter One, the labour market has not been one of the services identified by Lowe (1999, 2000) and others as one of the main pillars of Welfare. Yet the labour market still, as in 1886, has a fundamental role in determining the material welfare of the majority, and in setting welfare standards. But if, as Page said, 'wages reflect and determine market conditions', then it is possible to ask, how can Government influence and change those market conditions, and is it possible to help citizens gain power in those labour markets?

2. THE ENABLING STATE IN THE VIEWS OF TONY BLAIR AND GOVERNMENT MINISTERS, 1997 – 2007

The purpose of this section is an exposition and explanation of the ideas of New Labour Ministers, chiefly, Blair, Brown, Blunkett and the Miliband brothers, on the character and nature of the Enabling State, as expressed in speeches.

The first use of the term 'enabling state' seems to have occurred in the then Leader Neil Kinnock's speech to the 1985 Party Conference. Kinnock said:

The democratic instrument of the people is the State....a particular kind of State...an opportunity State, which exists to assist in nourishing talent and rewarding merit; a productive state which exists to encourage investment and to help expand output; an enabling state which is at the disposal of the people instead of being dominant over the people. In a word, we want a servant state...which will give support to the voluntary efforts of those who, in their own time and from their own inspiration, will help the

old, the sick, the needy, the young, the ill-housed and the hopeless...under the feet of the people, not over the heads of the people...it is not a state doing things instead of people who could be doing those things better...it is a servant state doing things that others will not do, have not done, with anything like the speed or anything like the scale that is necessary to bring change with consent in our society. (Quoted by Rosen 2005:464)

Kinnock also noted in this speech that social justice depends upon a foundation of economic prosperity, and economic success cannot properly be achieved without social justice – the two go together. He also noted that there was an old language of ‘public good, private bad, or private good, public bad,’ but the real question was Does it Work? Even after Labour had been in power for many years, there would still be a market economy. The real question would be the people who will have had opportunity to train, engaged in new industries, benefited from greater production and from fairer distribution that it finances.

This was, apparently, new language from a Labour leader. However, it can be argued that it was actually not new language. The idea of a State which could do things that voluntary or private enterprise effort could not do in order to overcome market failure is itself an old, even venerable Social Democrat idea (Westlake 2001:358), and was prominent in the thinking of, for example, R.H. Tawney (Kinnock’s hero, according to Westlake) and the political economist J.A. Hobson. That in other areas the free market system functioned satisfactorily, and that its processes, incentives and outcomes were acceptable to the Labour Party would not have surprised Ramsay MacDonald, who was a gradualist, nor Ernest Bevin, who was a realist, nor the new generation of younger Socialists of the 1930s, such as Hugh Gaitskell, Evan Durbin, or Douglas Jay, who all understood that if citizens did not have a free choice in what they purchased, then the political system in which they lived could not be described as a ‘democracy’. These economists also understood that it is possible for a dispute to arise between what planners wish to produce and what consumers wish to buy. A victory for the planners would result in some

form of totalitarianism. They saw that it was therefore necessary to allow consumer choices to set prices for private goods and for labour services through the market, explicitly rejecting any totally collectivist solution, such as was believed to exist in the then Soviet Union. There were collective decisions that Government as such could take on behalf of the public at large, but some were out of bounds (Durbin 1985:236). Kinnock's concept might have surprised Keir Hardie, Philip Snowden or James Maxton, to all of whom Socialism was synonymous with public ownership in the form of nationalisation. Even Aneurin Bevan had come to realise, as he put it in his last speech to Party Conference, that a society in which all economic activity was owned by the State would be a monolithic society, which he did not want to see (quoted by Rosen 2005:p218). In the light of the 1983 Alternative Economic Strategy, which envisaged nationalisation on a wide scale (and which Kinnock had supported at the time) the 1985 ideas would have appeared new, to the point of being outlandish to Tony Benn, leading advocate of the 1983 strategy.

Kinnock's ideas were not immediately taken up, possibly because of 'events': the 1987 general election (which Labour lost), the 1989 Policy Review, the 1992 election (also lost), possibly because John Smith, Kinnock's successor, did not share the same vision, and maybe because after 1994, Blair subordinated everything to winning the next election, whenever it was. However, Gordon Brown, then Shadow Chancellor, echoed Kinnock's ideas in the Fabian Lecture of 1997, remembering the death of Antony Crosland, when he said:

The starting point is a fundamental belief in the equal worth of every human being. We all have an equal claim to social consideration by virtue of being human. And if every person is to be regarded as of equal worth, all deserve to be given an equal chance to fulfil their potential with which they are born...I believe that everyone should have the chance to bridge the gap between what they are and what they have it in themselves to become...an unrealisable equality of outcome...decided irrespective of work, effort or contribution to the community, is not

a socialist dream but other people's nightmare of socialism...so the issue for socialists is not so much about what the state can do for you but what the state can enable you to do for yourself. (Quoted in Rosen,2005:564)

These two comments are early texts, uttered in opposition, before Labour had had a chance to be in power. After the 1997 General Election, Labour had an opportunity to put its ideas into practice, and the rest of this section will consider speeches made while Ministers were in power.

2.1 Brown lays the foundations

Gordon Brown himself laid the foundations of the Enabling State in a series of speeches made while he was Chancellor of the Exchequer. Brown is a prolific speaker and writer, dealing chiefly in ideas and political philosophy, and his speeches have not always had the audience they deserve (Stevenson, in Brown 2006:xi). The ones chosen all relate to the Enabling State. We begin with the 1999 Mais Lecture (Brown 1999a)

Brown begins his lecture by posing his major problem, that for a period after the Second World War, Britain had achieved full employment, but unemployment rose to the point where, in 1997, one working age household in five had no adult in work. There were two responses to this situation, both of which he rejected. Some, he said, believed the answer was to return to macroeconomic fine tuning, while others believed that full employment should be abandoned as a Government policy. He rejected the one as outdated dogma, the other as plain defeatism.

On the contrary, he intended to meet the 1944 objective of 'high and stable levels of employment' and his lecture was designed to put in place the building blocks of this objective through four main conditions, viz:

- Stability
- Employability
- Productivity
- Responsibility

These are, he argued, the necessary conditions for full employment.

Brown first reviews the 1944 White Paper, which had asserted the need for active macroeconomic policy to balance supply and demand, but also argued that in the long term, lower unemployment cannot be traded for higher inflation, while wages and prices must be kept reasonably stable. Such macroeconomic action was a necessary but not sufficient condition for full employment, for other conditions have to be met. Brown also quoted from the White Paper "it would be a disaster if the intention of the government to maintain total expenditure were interpreted as exonerating the citizen from the duty of fending for himself and resulted in a weakening of personal enterprise....every individual must exercise to the full his own initiative in adapting himself to changing circumstances.....workers must be ready and able to move freely between one occupation and another." Brown then catalogued how successive governments over the years had pursued these objectives, but had failed to address underlying long-term weaknesses. Planning, supply side actions, pay controls were all used, but, Brown argued, no credible institutional arrangements were put in place to deliver stability, no serious welfare reform was undertaken, no long term strategy to improve productivity ever succeeded, no long term consensus concerning pay was ever put in place. The remedies of the 60s and 70s failed to deliver.

Brown summarised clearly the position of his Conservative predecessors, for whom, he believes, the very idea that dynamic economies required active governments was the problem. These predecessors, Brown argued, applied rigid monetary targets to control inflation, believed in deregulation as the key both to employability, in the absence of an active labour market policy, or an active, reformed welfare state; and deregulation of capital and product markets as a route to higher productivity, "the best government is least government", and actually rejected consensus. Brown describes this as the 'neo-liberal' view of the state, and its clearest intellectual statement was Nigel Lawson's 1984 Mais Lecture, in which Lawson's central thesis was that the proper role of macro-economic and micro-economic policy is "precisely the opposite of that assigned to it by the conventional post-war wisdom." (See Chapter Four of this study for detailed study of Lawson's views.) Lawson's argument had been

that the objective of macro-economic policy should be the conquest of inflation, not full employment, which should be the objective of micro-economic policy.

Brown argued that, on one level Lawson had been right, but on another, wrong, since the period 1979 to 1997 saw the two biggest postwar recessions, and unemployment was higher in 1988, at the height of a boom, than in 1979, and then rose again.

Brown therefore built his framework on four propositions. There is no long-term trade-off between inflation and unemployment, and therefore, demand management alone cannot deliver high and stable levels of employment. In an open economy, reliable targets for policy cannot be produced by an assumption of rigid monetary rules that assume a fixed relationship between money and inflation. Effective economic policy is possible only within a framework that commands market credibility and public trust, and that credibility depends on clearly defined long-term policy objectives, openness, transparency and accountability.

Brown argued that the economy with which he had to deal was one in which fine-tuning is no longer possible, if it ever was; rigid monetary targets in a world of global capital flows, financial deregulation and changing technology have brought great volatility in the demand for money. Britain no longer has a sheltered national economy and stable and predictable market relationships. He concludes that he must use all the available levers of economic policy.

He aimed therefore at a conception of 'not no rules, but the right rules.' He requires the discipline of a long term institutional framework which commands market credibility and public trust, which is a matter of working within clear long term policy objectives, maximum openness and transparency and accountability. Thus, he worked toward clear fiscal rules, defined explicitly (the 'golden rule'), a clearly defined inflation target, symmetrically defined (inflation too low is as dangerous as inflation too high), and publishing as much information as possible, so that, for example, the setting of interest rates cannot be seen as politically motivated. Brown's view is that it is a platform of stability and predictability (businesses can predict what their markets will be under conditions which they know will be met) that is an essential condition of

growth and employment. An active supply side policy both improves productivity and employment, and makes it possible to sustain low inflation alongside high and stable levels of employment. Macroeconomic and microeconomic policy must work together.

Brown argued that this platform of stability, built on solid foundations, allows people to plan and invest, and this makes welfare to work policies possible, for the second condition of full employment is an active labour market policy matching rights and responsibilities. He rejects the idea of a fixed natural rate of unemployment consistent with stable inflation, on the ground that this had not happened in the 1980s. In this lecture, Brown refers to the scarring effect on skills and employability ('hysteresis'), the mismatch between the skills of redundant workers and new jobs (structural unemployment), and the failure of the Welfare State to reform to make work pay. We now live in a world where people will change jobs more often, skills are important, and flexibility, properly defined, is necessary.

Brown argues in this lecture that Britain has seen a dramatic structural deterioration in its labour market. This was true whether measured by the relationship between wage inflation and unemployment (Philip's view), or between vacancies and unemployment (Beveridge's view). His main weapon would be the New Deal, which would offer opportunities to work, but which would demand obligations to do so, and would be the first comprehensive approach to long term unemployment. It would be designed to reengage the unemployed with the labour market, and would address both the scarring and structural dimensions. To the New Deal would be added Working Family Tax Credit and associated reforms to integrate the tax and benefit systems in order to make work pay, and there would be added educational reforms: lifelong learning, University for Industry, individual learning accounts, aimed at tackling skill deficiencies. Welfare to work programmes would, he argued, allow the long term unemployed to return to the labour market, which would make it possible to reduce unemployment without inflationary pressures. By removing barriers to work, and promoting the skills for work, these reforms would translate into long term increases in employment without inflation. In this context, rising productivity would enable increasing standards of living,

provided both employers and employees exercised responsibility in wage-setting.

Brown did not say this, but it is possible that he is here diagnosing problems which are not amenable to Government action. The reason for saying this is that he is talking here about the decisions and actions of millions of citizens over whose actions governments simply have no or very little control. In a free society, Government cannot control every wage negotiation, government cannot, in a free society, compel citizens even to work or retrain for work or relocate for work. Government cannot tell enterprises what commodities to produce, nor how to produce them. His problem in this lecture can be summarised by the old proverb, he can lead a horse to water, but can he make it drink? The national consensus Brown seeks may be impossible to create in a free society. In 1944, Britain was at war, and a national consensus around winning it could be built, but the real problem Brown, or anyone else needs to address is precisely to create such a national consensus.

Brown has made similar points in a number of speeches, (1998, 1999a, 1999b, 2001). He contrasts the old welfare state of his predecessors as 'the old deal', pay people a few pounds in benefit and then forget about them. This is to be contrasted with the New Deal, where there will be opportunities for citizens to contribute, rights will go hand in hand with duties and there will be a 'something for something' relationship between State and citizen, not something for nothing.

The foundations of the 'something for something' relationship must, in Brown's view, be the aim of economic policy. To reiterate, the starting point is the 1944 White Paper, on employment policy, and its aim of high and stable levels of growth and employment, based on low inflation, stability and sound public finances. In Brown's view, only under these conditions will businesses invest for the future and it is businesses, not governments, that create jobs. Brown does not accept that there is nothing government can do to achieve these aims, nor does he accept the 1970s orthodoxy of so-called Keynesian demand management. Nor does he accept simply compensating the disadvantaged for their disadvantage. He does believe in rising productivity, and competition

since competition is a spur to innovation, efficiency and improvement. His aim is to promote work, make it pay, enable citizens to acquire skills, to improve themselves, which, he thinks, is the best cure for poverty.

Hence, in these speeches, he introduced the idea of integrating the tax and benefit systems through the National Minimum Wage, (NMW) the Working Families Tax Credit (WTC), but also, through Educational Maintenance Allowances, Individual Learning Accounts, LearnDirect, the 10 pence starting rate of income tax, the 22 pence basic rate of income tax, and the reform of National Insurance (NI), as means of combating poverty, inadequate opportunities and low aspirations.

In contrast to the allegations of Hay (2002) Brown's remit to the Monetary Policy Committee of the Bank of England (MPC) emphasised that he would not pursue anti-inflation policies at the expense of employment, as Brown believes his predecessors, Howe, Lawson, Major and Lamont to have done. "There is no advantage in aiming for lower inflation if it is at the expense of jobs and growth"(Brown 2001). His point is that it is not possible to pursue a policy of enabling citizens to seek employment if the Government itself follows policies inimical to employment and growth. Hence, Brown has emphasised, over and over again, that the role of macro-economic policy is to create a platform of stability that will promote not just jobs and employment, but to release the animal spirits of entrepreneurs that Keynes noted, and this stability will make non-inflationary growth in employment possible. Brown desired to pursue a high wage, high skill, high productivity approach to the economy, which, in his view, is the only way to achieve high living standards for those at the bottom of society, and a 'credible, radical view of citizenship as responsible citizenship, with the aim of security and opportunity for all citizens, not just a privileged few.' (Brown 2001)

To summarise, Brown laid down the first building block of the Enabling State: a platform of economic stability, an element of predictability about Government policy, policies in favour of growth and employment, not policies against unemployment, and a belief in entrepreneurship which would generate growth

and employment, and result in high living standards, security and opportunity for all citizens.

2.2 Blair develops the concept

The term 'enabling state' does not figure prominently in Blair's discourse before about 2001. His first use of the term in an extended discussion seems to be in his address to the Indian CBI in Bangalore in 2002, but he had presented such ideas in various ways throughout his career in public life (see for example, the speeches and articles in Blair 1996). This section concentrates on Blair's speeches as Prime Minister.

We begin this section by considering the first speech Blair made as Prime Minister, on a South London housing estate, 2 June 1997, in which he outlined the programme for his Government. He had been Prime Minister one month.

He began by describing the poorest people in Britain, who, he said, had been forgotten, left out, told they were not needed, ignored, except to be blamed. Blair wants Britain to be a country where nobody is left out. He worries about not just poverty, but fatalism, dead weight of low expectations, a feeling that nothing can get better. He said that he was ambitious for Britain, and wanted to restore the will to win. He wished to see a radical shift in values, so that ambition shall be for all, not just a few. He evoked 'One Nation' language, saying that 'we are all in this together' and wished to recreate the bonds of civil society, reconciling 'community' with individual nature in new circumstances, not an 'either-or' but an alliance of the haves and have-nots. His view is that the well-off know that they too pay a price, and it is in their common, enlightened self-interest to form this alliance to attack the problem of a cut-off underclass.

For Blair, to be a citizen is not just to hold the passport, but to share aspirations, to be part of the family, members of society, one of whose characteristics is a sense of fairness, core values of rights and duties, ethics of mutual rights and duties, a 'something for something' society, citizens who are entitled to take out only if they put something in. He wishes to reshape the political agenda. He wishes Government to help people to help themselves,

and provide for those who cannot. Opportunities must be offered to citizens who are under a duty to take them up. He wishes to root out educational failure, and offer opportunities to young people and single parents to get back to work. It outraged Blair that five million people, one family in five, lived in a household where nobody was in work. There were millions of people who had never worked since leaving school. There were households where for generations, nobody had had a job. What grieved him was the number of manufacturing jobs lost and never replaced, condemning men to idleness and women to lives of poverty and early pregnancy. He said "Work is not punishment, it is empowerment."

He argued that the decline of old industries had left whole classes of people deprived of knowledge and skills, unskilled and workless, dependent on benefits and the black economy, with no role in society. Without work to do, whole classes of citizens were detached from citizenship in its wider sense, where aspirations fall. For Blair, citizenship in this wider sense means that even the poorest could feel that they could share in Britain's wealth, that they too had some chance to progress. The greatest challenge is, he said, to bring this underclass back into work so that they could feel themselves to be part of England, and restore the will to win.

He believed that Margaret Thatcher was not in tune with the basic civic values: we should feel a sense of shame that beggars were on the streets of our cities, and we should feel a sense of fairness that opportunities should be extended to all and duties required from all.

This was the speech in which Blair, among other policies, announced the New Deal to get 250,000 young people into work, financed by a windfall tax on the former public utilities, offering young people work, subsidised work, voluntary work, with opportunities to acquire skills and education. There would be no fifth option. And there would be no 'revolving door' syndrome (continual short spells of work and unemployment). He wished to see jobs that last and bring in a decent wage for a long time. The New Deal would show all that self-sufficiency was a desirable, achievable goal, and that none would be forgotten. In this speech, Blair proclaimed his belief 'work is the best form of welfare', as

it gives citizens a stake in society, and a wider ethic of responsibility. His aim is to reconnect the workless, the hopeless to society, to restore the will to win, to find new hope, and a new optimism.

This would, he said be an immensely difficult task, which Government could not achieve on its own; he needs the cooperation of civil society, but he felt that he had at least, identified the right problems.

It seems that for Blair, to work is not Man's punishment for original sin, but part of his character, personality, wholeness of being, Man's 'coming to be of himself.' Work provides opportunity, material goods, opportunity to express oneself, to participate and share in the wealth of the society in which one lives.

Blair's rhetorical style, manner and lexis in this speech are worthy of comment.² Blair does not use orthodox rhetorical devices, such as lists of three, or repetition, nor does he ask rhetorical questions. He does not raise his voice, or get angry. He speaks in an even tone throughout, earnest, serious, and he makes no jokes. He does not use emotive language, and does not attempt to rouse his audience to fear, anger or indignation, although he feels that his audience ought to feel shame.

He is reading this speech, but does sometimes depart from his text, which shows when he hesitates slightly, or corrects himself. He uses no fillers, such as 'erm' or 'ah.' This is the speech of an accomplished, well-educated professional man, a former barrister (which he is), who is making an 'argument' to a like-minded group of people.

His basic appeal, on an emotional level, is that he attributes to his audience a feeling that his audience would like to share, a sense of 'fairness' which is peculiarly British. He wants his audience to feel that it is just not fair that so many people are not allowed to be part of the family, in a manner not altogether their own fault and the only blame he attributes is to the Conservative Governments who, he argues, have largely caused, or if not

² The source is an audio tape obtained from

http://www.spokenword.ac.uk/record_view.php?pbd=gcu-a0a1a6-b, and the Author was able to listen to this speech.

caused, made worse a series of problems which it is his role to put right. Creating this sense of 'it's just not fair' is an illocutionary act on Blair's part.

It is also noteworthy that Blair does not use the word 'equality.' It will be shown in the next chapter, with reference to Philip Snowden, that it seems to be one aspect of the Old Left in the Labour Party that Socialism is about a kind of 'equality' that not only wishes to put in a floor below which no one shall be allowed to fall, but also a ceiling above which none shall be allowed to rise. Blair and Brown wish to have no part in this kind of Socialism, for to them, it rules out the politics of aspiration, it commits the Labour Party to the idea that the Party is the Party of the poor, and only of the poor, and thereby, rules out the alliance they wish to see between the haves and have-nots knowing that the 'haves' can be brought into Labour politics out of enlightened self-interest. New Labour understand that 'equal' is not always 'fair' and that 'fair' is not always 'equal'. Thus, New Labour figures will, it will become apparent in this chapter, prefer the language of 'fairness', rather than 'equality', which can be misunderstood.

As a perlocutionary act, this speech shows how Blair tries to appropriate the language of politics itself, for his side of the argument. It is for this reason that he claims the language of One Nation, which used to be Disraeli's Conservatism, but was not Thatcher's. Blair in this speech, as in others, claims crime as a Labour issue, as it is poor people who suffer most from crime. Neither Blair nor Brown is a 'class warrior', but Blair also in this speech posed a dichotomy: that in the 1960s, the State was the solution, in the 1980s, the State was the problem, but he rejects both. The role of the State is to enable citizens, to empower them, to help themselves: the Enabling State, although in this speech, Blair used the word 'empower' rather than 'enable.'

A significant early speech which also contains the seeds of some form of enablement of citizens by the public authority was his Romanes Lecture (1999) where he used the term 'the liberation of human potential,' linking education to human capital theory, but also to citizenship on equal terms. He used the term, 'opportunity for all, responsibility from all,' as he has frequently done since. Blair explained its meaning in terms of rights and duties that need to be

justified and accepted, and can be neither imposed nor inherited. He claimed in this speech that for 150 years, mass education had been at best a fitful concern to England's political leaders, both Left and Right, and that political leaders had not taken responsibility for the education agenda. His language and vocabulary in this speech is of standards, goals and 'education liberating the talent and capacity of each individual.' It was necessary, therefore, in his view, to reject the notion that a system which provides different provision for different individuals is a rejection of their equal worth. He also rejected the notion of a standard school leaving age of 16.

Blair argued that opportunities for all reflected the belief of the public authority in the equal worth of all, but this did not mean identical provision for all. He reclaimed what had hitherto been a Conservative notion of a 'One Nation' society in which all citizens have the same responsibilities and rights, with no ceilings to ambition, and no impediments to its realisation. For Blair, what unites Britons is more important than what divides them, but he extended the notion by introducing liberal concepts of no ceilings to ambition, nor impediments to its realisation. Blair understands equality as equal worth, instead of equality of income or outcome or opportunity, and as equal right to dignity, liberty, freedom from discrimination, as well as economic opportunity (Blair 2000). As he put it, in the speech to the Christian Socialist Movement in 2001:

The purpose of society is to empower the individual, to enable them to fulfil not just their economic potential, but their potential as citizens. (Blair 2001)

Despite its presentation by Blair as a seemingly new concept of equality, one could say that some of his ideas are oddly reminiscent of Marx's, for whom the full development of each is the condition for the full development of all, and Marx's emphasis on the ideal of self-realisation as the goal of human activity (Geras 1986, Avineri 1968) is similar to Maslow's (1987) ideas of self-realisation, though oddly enough, no New Labour politician ever seems to have quoted either of them. But, as noted in Chapter One of this study, the notion was used by the Liberal T.H. Green.

Blair began to expand his ideas further in the speech 'A Society in which No One is Left Behind' (Blair 2002a), in which he used language that Labour seemed to some (eg Gould 1998) to have forgotten: ambition, aspiration, equal status and opportunity to progress. He seemed to mean that all shall have equal opportunity to progress, but not all shall progress equally fast, or equally far, but equally, none shall be faced with insuperable barriers to progression or self-realisation.

In this speech Blair put forward, at least on a rhetorical level, a multi-dimensional political agenda, encompassing income, public services and work. The welfare state begins to appear, not as a 'top-down' paternalistic or even maternalistic act of charity, nor as 'hand out' but as a web of mutual responsibility, of rights and duties.

It is to be noted here that no New Labour Minister ever prioritises duty over rights. It is possible to go so far as to affirm that in New Labour discourse, rights and duties invariably appear as a couplet, of equal priority. But in this speech, Blair shows how the complete agenda, of National Minimum Wage, Working Tax Credit, Surestart, Excellence in the Cities, Child Care, 3Es ('Education, Education, Education') come together as one programme, in which the State accepts its duties to its citizens, and the citizens accept their duties towards the State. His focus on equality is not simply a focus on income alone, as if incomes were the only factor to be equalised.

In this speech, Blair's rhetoric extends further, as he characterises the 1945 Welfare State as 'the social equivalent of mass production, state-directed and managed, built on a paternalist relationship between state and citizen, donor and recipient.' (Blair 2002a). He means here that such a welfare state creates a condition of 'dependency', which in the Progressive Governance speech (2003b), he described as a relationship that simply gives to its recipients, who expect to be given to, and who get what is given by a monolithic state to passive recipients. Blair sought to redefine the state-citizenship relationship on four pillars, these being national standards, devolution to the front line, reform of the professions and consumer choice. His aim was to put power in the hands of the patient, the parent, which meant opposing vested interests in

order for public services to work for the people receiving them, not the people providing them (Blair 2002a). There is a peculiar parallel here, showing that these ideas are not 'new', which no Labour figure does use, but would be very striking if they did, and that is the views of Marx (1852,1963), where Marx himself complained about the 500,000 functionaries running the French state in the interests of themselves, rather than the citizens. Marx himself saw how the civil servants, representing the State, could themselves form a vested interest, a pressure group, acting in their own interests. It is possible, although he never mentions Marx, that Blair has something similar in mind in his intention to reform the professions and the public services.

In the 2003a speech to the Fabian Society, Blair himself again defined his agenda: he intended to reclaim for the political Left ideas which ought to belong to the Left, but which have, in his view, been purloined by the Right. Law and order, crime, family are, in his view, issues that ought to belong to the Left, since it is the poor and dispossessed who suffer most from crime and family breakdown. He also wished to reclaim the social liberal tradition of Beveridge and Lloyd George, since his aim was to reclaim individual freedom as an ideal of the Left. (Later, it will be shown how Gordon Brown launched a passionate defence of 'liberty' as an ideal of the Left.)

It is by means of re-appropriating the language of liberty that New Labour has been able to pursue the 'choice' agenda. Here, the idea is that universal choice gives poor people the same choices as the middle classes. It is for New Labour a truism that poor people get poor services, but being able to choose puts pressure on poor providers, either to raise their game or leave the business. The idea is also that the middle classes are more likely to abandon a system where they have few or no choices about the services they receive. Being able to choose which services they access, when, where and how is an essential ingredient in keeping the middle classes in the state system, instead of resorting to the private sector.

Blair's views have been echoed by other Ministers. For example, Alan Milburn, then Chancellor of the Duchy of Lancaster, in a 2004 speech to the Institute for Public Policy Research (IPPR), has argued in terms of the 'politics

of aspiration', that 'aspiration and ambition become the expectation of the many, not the few'. He argued for equality of life chances, and quoted, approvingly, Keir Hardie, R.H. Tawney and G.D.H. Cole, to show that the Labour Party must certainly be the party of the poor, but not only of the poor: "if the aspirations of working families for themselves and their communities are thwarted, then responsibility, innovation and enterprise are undermined." Milburn spoke of "putting something in and getting something back", which may not be 'equal' but was, to his way of thinking, 'fair.' Quoting Amartya Sen and Robert Owen, Milburn argued that welfare is not just correcting the outcomes of market-driven inequalities after the event – palliatives, not cures, fostering dependency rather than self-sufficiency, cushioning the blow, not escaping it. Milburn considered himself not to be betraying Labour values, but to be taking the Party back to its roots of the "proud Labour movement tradition of self-help, Robert Owen, the friendly societies, the Coop and the Workers Educational Association."

Blunkett (2000), who was Secretary of State for Employment and Education at the time, agreed with Blair, defining the problem in Beveridgean terms, as ensuring that people can draw down on government provision when they need to, and can use this provision as a preventive measure rather than just a safety net. He argued that there is a big difference between encouraging, supporting and enabling people to be able to cope with their own lives, and pretending that Government can do it for them. He envisaged preventive action as avoiding people becoming dependent on the state in the first place, helping people to help themselves, focussing on what people can do, not on what they cannot.

David Miliband, then Cabinet Office Minister, opening the Fabian Society's lecture series on Life Chances, (March 2005) asked, in answer to those who questioned the commitment of New Labour to 'equality', 'what is it possible to have equality of?', and stated that "the purpose of Labour politics is to bring the life chances of the most fortunate in our society within the grasp of all the people, rather than just a privileged few", and argued in terms of opportunity and security, using the power of collective action to advance the real freedom of the individual: "We know that successful people, communities and countries

use knowledge to generate wealth", so the problem is what can Government do to help the disadvantaged overcome their disadvantage so that they are no longer disadvantaged. How can society's failures be enabled to emulate the successful people?

Similarly, Alan Johnson, then Secretary of State for Education, addressing the Fabian Society in March 2007, argued to "take class out of the classroom." The Labour Party, he said, is not a class-based political party, but one which seeks to unite people from all social classes in a more noble battle against social injustice. The TUC's campaign in the nineteenth century for 'free secondary education for all', Attlee's Welfare State, Wilson's Open University formed, in Johnson's view, a common thread, of raising caps and removing barriers to the hopes and aspirations of the people. Johnson quoted Ernest Bevin: "it's inherent in the working class to want a better deal for your children than your parents or grandparents had." Hence, Labour education policy has focussed on removing barriers to higher education, on school standards, accountability, transparency, and 'no excuses.' Johnson argued that there was a "common strand, that within the working class lies a passion to better themselves, but social and economic changes are closing down many of the routes which they might once have taken." Hence the programme of modern apprenticeships, extra support for boys and ensuring that young people do not completely drop out of education at 16, by combining accredited training with employment. "We can only eradicate poverty," he argued, "if we can eradicate the poverty of aspiration."

2.3 Brown defines 'Liberty'

The centralised State was wrongly seen as the main, and sometimes sole expression of community, often usurping the case for localities and neighbourhoods taking more responsibility for the decisions that affect their lives. (Brown, 2003)

This lecture by Brown, to the Social Market Foundation, was concerned with the limits to markets. Brown should not be construed as 'anti-market', however. What he wishes to do is to remove the barriers to new entrants into markets, so as to draw on the skills of all the citizens (his definition of 'social

inclusion'). By removing barriers, enabling new entrants, active intervention to encourage enterprise, Brown's speech suggests a wide definition of equality and fairness of outcomes.

In order to understand Brown's point, Glennerster (2001:4) observes that it was teachers, not students who benefited from increased education expenditure over the period 1997 to 2001. It is possible, Glennerster argues, "that state schools perform badly because they exist in a competition-free environment and have no external form of performance measurement to act as an external spur...there have to be some incentives for schools to perform on, not inside, their production possibility frontier."

In Brown's view, there is a difference between contestability and profit-maximising hospitals. The fact that a market in health cannot exist and, at the same time, provide health care on the basis of need does not mean that there has to be a wholly centralised service, nor that there can be no role for the private sector, nor that it is possible to devalue the idea of consumer choice. 'Decentralisation' is not the same as 'privatisation.' With ideas of decentralisation, contestability, consumer choice, New Labour is, in Brown's view, taking on vested interests in order to enable and empower citizens and communities to control their own lives, rather than relying on a centralised state to direct and control affairs.

In 2005, in the Hugo Young Memorial Lecture, Brown launched a passionate defence of Liberty, to which the rest of this section will be devoted. His theme in this lecture is liberty, responsibility, fairness and internationalism.

For Brown, to be British is not to be defined by blood, ethnicity or place, but by shared values, and the values of liberty, responsibility, fairness are the essence of Britishness. He makes no claim that these values are exclusive to the British, nor does he claim that other peoples cannot share them, nor that the British always abide by them, but he does claim that Britishness cannot be understood apart from them. It is to be noted that he uses the word 'fairness', not 'equality.' He does not, as, for example, Roy Hattersley does, use the term 'equality of outcome', for, as he pointed out in his response to Hattersley in the Guardian, in 1997, 'equality of outcome' could only be imposed by a central

authority, regardless of work, effort or contribution. Like Kinnock after 1987, he prefers the word 'fairness', since he understands that 'equal' need not be 'fair', and 'fair' need not be 'equal'.

Brown defined Liberty not just in terms of the traditional liberal thought, of the rights of the individual protected against an arbitrary state (an idea that has its origins in the English Civil War), but in terms of 'empowerment', by which Brown means the capacity and competence to exercise the rights of the citizen. For Brown, Liberty means not, as it does to Nozick, being left alone, but the empowerment of all the citizens, not just the men of property; the right of all the citizens to be not simply passive, not only restricting the powers of someone else, but active citizens empowered to participate, to realise their potential. This is an idea that Brown traces back to J.A. Hobson and T.H. Green, in terms of 'a positive capacity of doing or enjoying something worth doing or enjoying in common with others.'

To achieve these ends, it is necessary to break up centralised institutions that are remote and insensitive; to devolve and decentralise power, to enable communities to achieve self-government and local government, so that people can do things for themselves.

Brown's ideal is not the isolated or self interested individual of the Libertarians of the New Right, but Edmund Burke's 'little platoons', individuals working with other like-minded individuals, motivated by responsibility, duty, benevolence, improvement, a moral sense, operating within a public realm of duty. Coming from Kirkcaldy himself, he says, Brown understands that Adam Smith was a moral philosopher before he wrote political economy, and believed in a helping hand alongside the invisible one, the hand of the active citizen, the good neighbour, motivated by civic pride.

Brown rejects overweening state power, and crude individualism, both the old Labour idea of the state taking over civil society and the New Right's prejudice against any role for government whatsoever.

But there is also a role for 'fairness', not as has been noted above, 'equality', but fairness, to explain which he quotes with approval Colonel Rainborough from the Putney debate of 1647:

The poorest he that is in this land hath as much a life as the richest he. (Brown 2005)

Hence, Brown can define 'fairness' as 'equal opportunity for all, unfair privilege for none – equal opportunity for all to realise their potential, which can only be guaranteed by an enabling state, adding private endeavour to public.' (Brown 2005). As an example, he means that there might be a service of which only the state can guarantee provision, for example, nursery education or Surestart, but that does not mean that only the state can, or ought to be allowed to provide it, nor that there ought to be a state monopoly, any more than there ought to be a private one. The state can ensure that a service is financed, but there can still be a multiplicity of providers. This is the nature of the Enabling State. Brown does not quote Karl Marx, but it is interesting that Marx argued similarly (1875,1963) that if only the state was allowed to provide education then the State would be 'the educator of the people', a situation to be deplored as inimical to Liberty, which demonstrates that Brown's ideas have a surprisingly long intellectual history on the Left in politics. Brown did say:

I am impressed and excited by the vast range and mixed economy of Surestart, voluntary, charitable and private sector providers and the high level of innovation in this new sector. (Brown 2005)

Brown's view seems to be that the traditional Left has been confused on this point. They have thought that because a service can only be guaranteed by the state, it can only be provided by the state, and must be a public monopoly. Marx, again (1852,1963) observed the deleterious consequences of a public monopoly which has the power to define the public interest as its own (vested) interest.

In conclusion, Brown calls this array of private, voluntary, charitable local providers of all sorts of services 'civil society'; the aim of policy is not to

eliminate the rest of the public realm, but to create it.' This realm of civil society, of the little platoons, of citizens acting for themselves, is an advance on, for example Berlin (1969), who could not proceed beyond liberty as an idea that "I am free to the extent that no one prevents me doing what I want." This idea of autonomous citizens, acting for themselves, realising themselves is what Brown means by the 'Enabling State.'

Hence, for Brown, liberty is not, as it is for, say Nozick or Hayek, an egotistical libertarianism, but a combination of liberty, responsibility and fairness – essential values of the 'enabling' approach.

2.4 Blair's State of the Nation Lectures

Blair's fullest exposition of the Enabling State appears in his series of State of the Nation lectures given over the period 2006/7. In the first lecture chosen here, that given in Nottingham on the subject of healthy living, Blair draws a contrast with previous arguments, which were, for him, concerned with the role of the state, its potential as an agent of improvement versus its potential to restrict liberty, the argument between a 'Big' State and a minimalist one, between nationalisation and privatisation, and the precise level at which public spending ought or ought not to be set. New Labour is for Blair and like-minded colleagues, an attempt to transcend such arguments, to escape the caricatures and myths, and the confusion of ends and means. For instance, Blair wondered, is 'nationalisation' a means to achieve an end, in which case, the means can be given up if better ones become available, or is it an end itself and even if it were, is there necessarily one pattern of nationalisation?³ Blair still believes in the power of the state to do good, but believes that precisely what actions it can take will vary with circumstances.

He continued in this lecture, that New Labour has therefore, tried to develop a concept of the State as 'enabling.' By this, he means, that the aim is to empower citizens to make choices and decisions about their own lives. This is necessary precisely because most citizens are now better educated than previous generations, and will no longer accept being told what to do; the Man

³ To see how these issues have been debated in the Labour Party, see Jones, 1996, Blunkett, 1987 and Bevan, 1952, for instance.

in Whitehall no longer knows best, as Douglas Jay, a Labour politician, is misquoted (Jay claimed) as having said in 1937.

Blair developed his theme. He asked, is it any longer necessary to ask 'How much Government?' but rather 'Government for what purpose?' It may no longer be necessary, he thought, for government as such to provide particular services or run industries, but its role can change. It can now open up provision to the independent and voluntary sectors and use the public sector to commission services on the assumption that government often does not know best, and it can recognise that other, non-state organisations may know better. Therefore, an 'enabling' state should be 'supporting the public service risk-takers, the social and public entrepreneurs who make the changes that make the difference.' (Blair 2006)

Had Blair more local knowledge⁴ he could have illustrated his lecture with local cases, asking, for example whether it is necessary, even if JobCentrePlus runs the New Deal, should JobCentrePlus own and manage all the agencies that try to train young people up for employment? Is it not possible, as it is in Leicester, for such training to be carried out by specialist training companies such as Stride, or Intraining, or charities such as Rathbone (which specialises in dealing with disaffected teenagers) or Apex, (which has built up expertise in dealing with ex-offenders, ensuring that they become and remain 'ex-offenders'.)⁵ The barriers between citizens and employment are many and varied (as will be shown in Chapter Five) and, it might be supposed, to overcome them may require many and varied solutions. Hence, in New Labour's view, why should companies, voluntary, charitable and not-for-profit organisations, for example, the ones mentioned above, plus Next Steps, or the Big Training Company (personal knowledge) not be allowed to participate in the tasks of providing training, information and advice, allowing the citizen to choose which one to access, according to the problem he/she has?

Blair argues:

⁴ The lecture was given in Nottingham and reported in the Nottingham Evening Post

⁵ In fact, in Nottingham there exist a number of companies/private/voluntary sector providers, such as A4E, Tribal Education, Accordia).

Above all, a state that sees its role as empowering the individual, not trying to make their choices for them, can only work on the basis of a different relationship between citizen and state. Government can't be the only one with the responsibility if it's not the only one with the power. The responsibility must be shared and the individual helped but with an obligation also to help themselves. (Blair 2006)

The lecture was actually about healthy living, which is a fine example of what Blair means. Government can pass laws (such as banning smoking in public places) but cannot actually stop the people smoking; the idea of making tobacco illegal, or trying to 'stamp out smoking' is one that, in Blair's view, ought never to occur in a liberal democracy. Government can provide information on healthy food, but cannot do the shopping for the citizens.

He developed his argument in the lecture on Social Exclusion, the fifth in the series. He did not use the term 'enable' but the lecture is an example of what he means. He begins that his sovereign value is fairness, by which he means "it is about potential never explored; talent torn off unused, the inability to live a life free from the charity of others...nobody should be left behind." The lecture is concerned with those most likely to be left behind. Blair is discussing groups of people with multiple problems entrenched over generations.

For some, he said, the answer is to improve material poverty. Others see a problem of social pathology. Labour had already put in place child tax credit, WTC, NMW. But there had been identified other problems, none of which was new: drug or alcohol misuse, mental illness, people left behind by a rising tide of material prosperity. These families were the 'hardest to reach,' and a simple cash transfer alone was not what was needed. Blair took the view that prevention is better than cure, a common place. He tries to learn from history, and quotes Seebohm Rowntree, who had found that the commonest cause of poverty was that the chief wage-earner was in regular work, but not at a wage adequate to maintain a family. Thus, the idle poor was a fallacy. Hence, the Minimum Wage and in-work tax credits, which, Blair claimed, were working, that is, doing what they were intended to do. More were in work than in 1997.

The problem, as Blair saw it was there was a proportion who were hard to reach, "about 2.5% of every generation seem to be stuck in a life-time of disadvantage" who constitute the excluded. His diagnosis is not just about money, but about poverty of aspiration, of opportunity, of prospects of advancement, not just low income. His point is that there is simply a small class of citizens who simply have nothing to look forward to. The "Enabling" aspect is, can these citizens be helped or do they have to be left alone? Blair deduced that pre-fabricated services cannot answer to individual needs, especially when the potential clients either do not wish to engage with services or who do not know how to. He iterates a key theme of the Enabling idea, that "our universal services are all predicated on the assumption that people want them and know how to get them", but this is not a safe assumption.

Blair thus names his targets: looked after children, families with complex problems, such as drugs and alcohol, teenage pregnancies, and mental health patients. The State spends much money on these citizens, and the problem is how to achieve better outcomes. Thus Blair enunciated five principles that will guide action: early intervention, what works, better coordination of agency work, personal rights and responsibilities and intolerance of poor performance. This is not a culture of 'blame', but about coupling social rights with responsibilities. He even quoted the argument between Helen Bosanquet and Beatrice Webb of the 1909 Poor Law Commission, and argues that the issue is not individual agency (Bosanquet) versus structural causes (Webb), it is a matter of both.

Although Blair describes his lecture as a poetic vision articulated in technical prose, he still has a vision of opportunity and freedom for all, expressed in the dry technical language of public service reform. The alternative policy is to leave citizens abandoned, left behind.

His peroration describes how, on meeting some children who were in care, two things struck him forcibly: how varied their problems were, and thus how individualised solutions needed to be; secondly, the ability, talent, confidence of these young people as they were helped to perceive a way out of their

current lives. The ultimate point about Enabling theory is that society must decide whether to try to "bring them with us or leave them behind."

The last lecture of interest here is the lecture on Work (March 2007), where Blair asks, in relation to the question of work/life balance:

But the assumption running throughout this line of argument is that 'work/life' balance is about a balance between 'work' – the necessary drudgery to keep hearth and home together- and 'life' which is about personal fulfilment, pleasure and contentment...We don't see our 'work' in one compartment, our 'lives' in another. Work is part of our life and we want it to be so.

The issue is actually rather different. It is not about balancing something we do because we have to, with something by contrast we want to do. It is about taking control over our own lives, at work and at home and managing both to our satisfaction – job and family life.

It is about personal empowerment: a fulfilling job done and organised in such a way as to allow us the chance of fulfilling the non-work parts of our life. (Blair 2007)

Blair does not mean to deny that much work is drudgery, nor that money is a motivator, but to argue that citizens wish to develop through their work, and realise their aspirations. Hence, he sees a role for government in enabling citizens in this direction, which encompasses work, skills, training, re-training, family policy, in order to enable citizens to achieve greater power over what they decide for themselves, with the essential condition, that the State does not and cannot know what they will choose to do with such freedom.

Here again, Blair is trying to recapture the terms of an issue from the political Right. Once, 'flexibility' was phrased in terms of ease of hiring and firing, owned by the Right, and did not encompass support for those displaced by reorganisation. But, Blair argues, as human capital and education become more important, numbers employed have risen, numbers unemployed have fallen, the position of the employee has strengthened, and, in the shape of

changing employers, employees have gained exit and voice, in the terms of Hirschman. He believes that he is on strong ground on issues of work. He cites, not only numbers of employed/unemployed, the changing nature of the economy and its workforce, the distribution of income following the introduction of the Minimum Wage and Working Tax Credits, but also employment legislation: right of recognition for Trade Unions, new rights to request flexible working, right to four weeks paid holiday, improved rights over unfair dismissal, and other individual entitlements (he did not in this lecture, mention, but could have done, maternity, paternity and parental leave.)

He is thus able to argue that the role of Government now is not to interfere with the successful operation of the market, but to equip the worker to survive, prosper and develop in such a market. This agenda includes the full agenda of adult education and Skills for Life, Modern apprenticeships, vocational education, the 'wider area of capability', non-cognitive skills (versatility, communication skills). He means, upskilling the population, de-bureaucratising the training system; 'welfare' is, according to Blair in this speech, not principally about raising benefit levels, but an "active Welfare State seeking to get people back to work." This agenda includes SureStart and LearnDirect as well as JobCentre Plus.

Thus in Blairista rhetoric (this study follows Timothy Garton Ash's distinction between Blairites [those who hate Gordon Brown], Brownites [those who hate Tony Blair] and Blairistas, those, both Blairites and Brownites who support the New Labour agenda against Old Labour)) the enabling agenda encompasses recurring themes of personalisation of services and the functions of the state.

The collective will and power of society acting together is still necessary for the advancement of the human condition. Without it, those with the worst start in life end with worse finishes...without it only the elite fulfil their dreams. (Blair 2007)

Most recently, Ed Miliband (2007), then Minister for the Cabinet Office, has defined 'equality' in terms of the Enabling State as:

including a belief that all should have a fair chance to achieve their potential...people can achieve extraordinary things, but they need the right opportunities to do so ... empowerment is the partner of equality, not just because the distribution of power is one dimension of equality. Our whole notion of equality must be based on a belief about the individual as author of their own life. The distinction between the progressive and the conservative story is that we believe individual empowerment is the partner of the enabling state, not an alternative. (Miliband 2007)

Here, Miliband departs from notions of 'equality' that have characterised some Labour Party thinkers who have, arguably, misunderstood Tawney. Some, for example, former Deputy Leader Roy Hattersley, have spoken in terms of 'equality of outcome,' a term that Tawney never used, but have been unable to explain what 'equality of outcome' might mean. Those in the Party who have argued for some notion of 'equality of outcome' (for example, Page 2007), have failed to allow for the possibility that voters might interpret their ideas as 'levelling down' rather than 'levelling up.' After all, all patients can leave the operating table equally dead, which would be 'equality of outcome', but would this itself be an outcome to be desired? Those who have argued this way have failed to appreciate the possibility that Labour voters might have aspirations to better themselves, which could not be realised by any notion of 'equality of outcome' that has yet been articulated. Miliband, in the quote above, might be much closer to the views of voters than the radical egalitarians. His definition allows for the possibility that all citizens, equally are entitled to realise themselves; but not all citizens will realise themselves equally. Miliband's definition allows also for the possibility that the supreme value of voters might be something other than 'equality', and, as shown by Brown, supreme values might need to encompass liberty as well as equality, and the possibility that 'equality' does not need to include the radical egalitarian demand of, for example Levitas (1998), that 'equality' means 'everyone gets an equal share of the social product.' (The radical egalitarian position was not even supported by Marx, who, in the Critique of the Gotha Programme, made the point that people are different, for if they were different,

they could not be equal, and if equal, not different. People differ in capacity and competence to labour, in social circumstances, and in many other ways, and Marx could see no standard of right by which a radical egalitarian agenda of any kind could be justified. Moreover, it was an error to start from the mode of distribution, which was a consequence of the mode of production, and Socialists should, in Marx's view concentrate on changing the mode of production, which would lead to changes in distribution. The radical egalitarian agenda was that of Babeuf, whom Marx despised (Kolakowski 2005)) Some of those who have criticised New Labour for its beliefs on 'equality', Goes (2004) or Lister (2002) for example, have failed to define what citizens should have equal amounts of. Ed Miliband and his brother David, are prepared to say what they think citizens should have equal amounts of: equal right to achieve, fair opportunity to achieve, while recognising that all will not achieve equally, and there is no reason why they should.

Having studied the rhetoric and discourse of Labour Ministers, the next section will use academic writing, and the writings of those associated with the Australian Brisbane Institute to examine the Enabling State on a more theoretical, abstract, general level.

3. THE THEORY OF THE ENABLING STATE

For the purposes of this study, the theory of the Enabling State will start from the essay by Mulgan and Wilkinson (1992), who set up two poles of an opposition: they describe the 'disabling state' as one that makes life harder for its citizens by entangling them in webs of bureaucracy, rather than 'enabling' them by making governments responsive and supporting. The problem here is, how can states be more successful at defining people's needs and meeting them. How can states adapt to more differentiated societies? What are the limits of the state's responsibilities? For Mulgan and Wilkinson, the starting point is the Weberian 'ideal type' bureaucracy of a hierarchy of functions in a pyramidal structure, bound by fixed rules and clearly defined tasks, which evolved in parallel with the Fordist organisation of work: division of labour, dependence on rules, hierarchical decision-making, active planning, order, not chaos. The result is a state that systemises, objectifies and depersonalises

people in order to cope with them on a mass scale, where policy can be fed in at the top, levers pulled and predictable results obtained.

The very success of this type of state has locked bureaucracies into inflexible structures, obsessions with throughput, numbers, productivity, quantity, rather than quality and response to need. The pyramidal structure is one where problems have to go up the system, and decisions down the system, creating overload at the top, inflexibility and lower quality decision-making, compartmentalisation and government 'overload.' This system can be contrasted with the minimal state of John Locke, the night-watchman state, which does no more than maintain law and order and maintain property rights. The addition of markets, the fetishisation of markets, and the assumption that markets of themselves solve all problems turn the night watchman state into a 'neo-liberal' one.

For Mulgan and Wilkinson, Weber and Locke form two poles of a debate, but the problem is that the state is necessary, but not sufficient to define needs and their means of satisfaction.

There was, in this essay no more than a set of practices rather than an ideal, but the starting principles seemed to be that firstly, the state remains an indispensable source of solutions and metre of needs; secondly, the state can rarely define needs on its own, but must be involved in an active and reciprocal process with those who have needs; thirdly, the state functions better as an enabler rather than an operator or provider in its own right.

The debate about what an 'enabling state' might be and do could therefore revolve around newer movements, for example, women, green issues, arts, sport, community-based, ethnic and other voluntary organisations, where the state can regulate and finance, rather than provide directly. Or the debate could revolve around notions of individual empowerment, where the role of the state is to encourage and create the conditions where individuals can empower themselves. There is a risk that people can become atomised, because of the elimination of mediating institutions, but the need is to promote the capacity and competence of individuals to choose for themselves. The role of the state is therefore to provide information, education, counsellors etc.

This model of a state is not unproblematic. It is ambiguous. There is no structure or blueprint, for there is no one single model of democracy. The basic principle however is the transformation of the state from master to servant.

It is interesting that the ideas of Mulgan can be linked to those of J.S. Mill (although Mulgan does not make this link himself). Riley (1998:142) noted Mill as arguing that it was expedient for the state to limit its activities so that individuals should develop their own mental education, on the grounds that beneficial, other-regarding action, the development of capacities to understand joint interests, manage joint concerns and act habitually from public and semi-public motives would help develop the Periclean character ideal which Mill regarded as the target of the basic right to liberty in self-regarding action. Riley quotes Mill as saying:

What the state can usefully do, is to make itself a central depository, and active circulator and diffuser of the experience resulting from many trials. Its business is to enable each experimentalist to benefit by the experiments of others; instead of tolerating no experiments but its own.

Mill could argue that while the state could act as wise parent, and insist that all children should go to school that did not mean that the state should necessarily provide all the schools.

The idea of Mulgan is expressed in more precise form by Bevir and O'Brien (2001):

Whereas Old Labour wanted the state to act as a paternalistic provider distributing universal benefits to passive recipients, New Labour wants it to act as an enabling partner that creates opportunities for individuals to assist themselves. If the New Right could complain that Old Labour reduced welfare recipients to a passive subsistence on society, New Labour responds by portraying them as participants in their own development and even contributors to the social good.

This is in line with pre-1914 ethical socialism, where men saw themselves as respectable working class, independent, hard-working members of society: that is why they wanted the vote in the first place. This enables the Blairistas to use words like 'bettering themselves', which Old Labour could not do.

The duties of government therefore include providing assistance in finding work, making work pay, and supporting those unable to work. The duties of individuals include seeking training or work, taking opportunities, being independent, saving for retirement and refraining from welfare fraud. The duties of all include helping people to realise their full potential, promoting economic independence and building a cohesive society.

They then cover the New Deal, Single Gateway, pension reform, public service delivery, Best Value, inspection and regulation, networks, trust. They even mention SMART targets. Thus, in tabular form:

	New Labour	Old Labour	New Right
Public philosophy	Stakeholding	Fellowship	Individualism
Welfare state:	Enabler	Provider	Safety net
Role of state			
State's relation to citizen	Partnership	Paternalism	Withdrawal
Service delivery:	Network	Bureaucracy	Market
Characteristic organisation			
Characteristic relationship	Trust	Command	Competition

As a comparator to the British Labour Party, the next section looks at the concept of Enabling from the perspective of the Brisbane Institute.

3.1 The Australian Experience

The idea of the Enabling State has been taken up enthusiastically by the Australians Peter Botsman (who is an academic) and Mark Latham (a politician, who until two life-threatening operations forced his retirement in February 2005, was Leader of the Australian Labor Party.)

Botsman himself explains that the concept of 'enabling' has three essential principles, which are, firstly, that government remains an important source of social investment; secondly, that those with social needs have a central role in

defining and delivering and managing appropriate forms of social action; thirdly, government funding and services should be enabling rather than constraining. "The goal of the enabling state is to transform passive payments, services and infrastructure into an active investment, that is capable of transforming dead-end dependency into active self, family and social development over the medium to long term" (Botsman 2000a). Botsman's point is that three generations of Australians have had their lives financed by welfare in such a way that they have been coached and encouraged to be inactive and incapable: welfare payments that do not require recipients to do anything in return have created a learned helplessness. Progressives have thought that the solution has been to increase disabling welfare payments that have crippled generations of people and robbed them of their capacity to act for themselves.

He argues that to be successful, 'new investments in people, families and communities have to be done with the participants directly owning, controlling and managing the process and initiatives, transferring power out of the welfare bureaucracy into empowered (that is, with capacity and competence to make decisions about themselves) decision-making communities.' (Botsman and Latham 2001). Botsman believes that this concept is almost literally incomprehensible to welfare professionals and Titmussian academics with vested interests in the welfare system as it now stands. He may be right. Lister (2002) admits, with relation to current New Labour welfare policy, 'it is difficult to make sense of current developments using traditional welfare regime analysis.' For Botsman, it is necessary to look, not at structures, but at people in terms of activism, accountability, innovation, performance, endurance, longevity and power. As an example, he suggests combining transfer payments, social services spending and infrastructure spending into an intermediate labour market involving a living wage and training over the short, medium and long term. The problem will be the traditional welfare bureaucracy and its defensiveness about new ideas.

Latham takes as his starting point that people want some kind of status and sense of belonging in their lives, and that these can be found by both positive and negative forms of behaviour. He sees long term poverty as not just a

financial but a social problem, and one problem is that the political Left has posited welfare as a patron/client relationship between government and citizen. Breaking the cycle of dependency depends on building self-confidence to use material gifts of government and building social relationships (social capital). The Left has positioned the poor as passive clients to the patronage of government, overlooking the key resources of relationships between people, and questions of self-esteem and trust. 'Unconditional welfare is a crime against the poor, since it gives them material support without requiring from them a positive engagement in society.' (Latham, 2001). Welfare payments should, in Latham's view be conditional on people making an effort to learn new skills, improve their health, educate their children and to accept new work opportunities. Not to require reciprocity is to create what Noel Pearson (1999) calls a 'gammon economy', something unreal, fantastical, deprived of "work energy, initiative, struggle, enterprise, contribution, effort....counter-productive for individuals and corrosive of society."

Latham believes that traditional Left politics has fostered social division, not cohesion, by means of a rights agenda based on single identities of race, gender and sexuality which generates resentment on the part of others who see instead an agenda of entitlement based on contributions and a link between what a citizen puts into the system and what they get out of it (for comparison, see Dench and Gavron, 2006). Hence, Latham desires an agenda of rights and duties, of private and voluntary sectors, fostering the collective effort of communities, what he describes as the Enabling State. Latham's language is of civil society, fraternity, desire to belong, a desire to put the 'social' back into 'social justice', of collective social responsibility, 'things to do in common' (a phrase used by the New Liberal T.H. Green). Latham's area of collective action includes schools, adult education programmes, community banks, housing associations, not simply government departments.

He even articulates the main source of opposition to his ideas:

On our side of politics, most of us grew up with the stereotype of 'robber baron' capitalism: the image of greedy industrialists exploiting workers and consumers at every opportunity. It was

part of our social justice identikit. This view of the market continues to inform the values and policies of many on the left. In reality, capitalism is in a constant state of evolution...markets constitute a perpetual exercise in 'creative destruction' the destruction of old products and industries, the creation of new economic and social conditions.

Hierarchy allows power and privilege to be concentrated among the few...post War social democracy has not tried to democratise power and disperse the benefits of mass capitalism. It has simply vested more control and influence in the hierarchies of the state. This has fostered a culture of authoritarianism and even elitism among parties of the Left. (Latham 1999)

Putnam (1993:96) has noted how, where citizens are enmeshed in patron-client relations, even the vote is a token of exchange in a highly personalised relationship of dependency, where politics itself is organised hierarchically and focussed on narrow personal advantage.

In the absence of solidarity and self-discipline, hierarchy and force provide the only alternative to anarchy.....Tyrants systematically promote mutual distrust and conflict among their subjects, destroying horizontal ties of solidarity in order to maintain the primacy of vertical ties of dependence and exploitation. (Putnam, 1993:136)

To bring all this down to a practical, down to earth level, Rev Andrew Mawson, Vicar of Bromley le Bow in London during the 1990s, said, in a talk to the Brisbane Institute:

I saw a lot of people spouting about equality, and I also saw who paid the price...what that meant in practice was the lowest common denominator. Everything was equal, everything was fair, everything was pretty appalling actually. Traditional ideas of equality are about dumbing down, and not actually empowering people, they've impoverished people as a matter of fact...the

bottom up assumption that people who are poor know what they want. Often they don't. When you've only ever tasted three bottles of wine, you don't know about the other 27 bottles...in Britain, education services are about professional's interests, not about the customer...the problem is aspiration, mindset, it's about thinking. (Mawson 2000b)

Mawson, in his talk 'Making Dinosaurs Dance', explains the Enabling State from the perspective of the citizen. He noted that one reason why it is necessary to involve the middle classes is that when he started a crèche, he got some children of the professional classes. "If you are paying for your place, actually you force the quality upwards." Middle-class people know how to complain.

An entrepreneur is someone who wants to make something happen, not someone who wants to stop something happening.

Mawson described meeting a local Health Authority:

This was an impossible dance. This was about people who did not talk to each other. This is about health authorities and local authorities not knowing each other. This is about people who could not spot an opportunity if it was right in front of them, and if they spotted it they would run in the other direction. This is not a business culture. This is a public authority culture that is going bonkers.

Here was an area with no decent health facilities. Here was a group of people wanting to make something happen, and here was a group of people who didn't know how to make anything happen. (Mawson 2000b)

Mawson's view appears to be that social problems can only be approached on a micro level, that one starts on at the lowest level and works up, whereas 'Social Policy' starts at the top and works down, with the result that money follows structures, because putting structures in place is what governments do. But to solve the problems of individual people, it is necessary to start with

people. When money follows people, results for individual people can be achieved. The reason that government bureaucracies fail at this level is, as Mulgan suggests, that bureaucracies can, by their nature, deal only with classes of problems, and with people only insofar as they fit the categories. Social entrepreneurship, by starting with people, is Mawson suggests, the only way to find solutions to the problems of individual people. In New Labour language, this is personalised solutions to personalised problems. Mawson believes that the biggest obstacle he faced is traditional Labour local councils, who oppose the involvement of local businesses, on the grounds that the 'greedy capitalist pigs must not be allowed to get their hands in the till', and that the involvement of local businesses constitutes 'privatisation.' But Mawson notes that it was not the local council that financed his purchase of an otherwise derelict building, but Royal Sun Alliance; it was not the local council, but Tesco, who funded, with £27,000, the pharmacy he needed.

The importance of Andrew Mawson is that his work demonstrates an alternative way of 'doing' politics. It is possible to argue that the Labour Party has historically faced a dilemma: how to create a socialist society without first creating socialists (Plant, Beech & Hickson 2004), the traditional 'top-down or bottom-up' dilemma. Traditional Labour thinking, for example that of Tony Benn, did not address the problem of how socialist consciousness was to be created, both within and outside the party, rather than simply appealed to or mobilised (Callaghan et al 2003:53). Socialists such as Ralph Miliband and Benn started from 'what is the Socialist thing to do?', and never bothered to explain to working men how socialism would benefit them, and might not have been believed or accepted if they had. Miliband had an aspiration for a party that would 'propagate Socialism' (Callaghan et al, 2003:64, Powell, 1998, Seyd, 1987, Thorpe, 1997). Mawson however, starts, not from an ideological notion of 'Socialism', but rather from 'What is the problem, how can I help?' He is interested in the problems of individual people and organisations, and how his expertise and knowledge can help solve those problems, and ideological notions of the 'Socialist' thing to do have no part to play in his thinking. The point is that, in the Miliband Sr/Benn view, it is the politician who defines what counts as a 'problem' and the role of the citizens is to listen to the

politician, just as the Victorian philanthropist told the poor what their problems were, whether it be drink, fecklessness, spendthriftness, or whatever. In enabling state theory, it is the person who has the problem who must define it, so as to take ownership, and the role of the middle class professional is to put their knowledge and skills at the service of the one with the problem, who may need specialist help to understand what the problem is. The professional does not presume to know what the problem is.

Mawson's points have been developed in other ways. Glyn Davis (1999) uses a similar idea to define social exclusion: those who make no effort to interact with others are unlikely to have reasoned views about what government can achieve for them. The aim of reinventing government is to develop a real and lasting partnership in which everyone has the capacity to be aware to feel that they are situated in our society in more than a remote and procedural way, fostering a situation where citizens feel and exercise a sense of trust, interconnection, and personal agency.

As an example of what can be done by adopting approaches similar to that of Mawson, the enabling approach, Simon Rennie (1999) explained to the Brisbane Institute the operations of the Wise Group, a Third Sector operation in Glasgow, where the local council finds work to be done, for example renovating old houses, the trade unions insist that whoever does it pays the proper rate for the job, the Wise Group train up and employ for a year the unemployed to perform that work. The unemployed must take responsibility, train and work, and in return can obtain a CV, references, the work habit, and, eventually, regular work.

McGrath et al (2003) have provided some academic support for the Botsman/Latham argument in relation to Western Australia. They have found that people organise best around problems that they perceive to be important; that local people make rational decisions in the context of their own environment; that voluntary commitment of labour, time, material and money to a project, and local control over the amount, quality and distribution of benefits become self-sustaining. This constitutes 'taking ownership', and thus McGrath et al define empowerment in terms of communities as agents of transformative

change, rather than beneficiaries, in terms of possession and control over economic and social resources.

To summarise this section therefore, it can be said that the Enabling State in this Australian discourse does not start from ideological notions of Left and Right, but asks 'What is the problem? How can I help?' It borrows esoterically from both Left and Right, pragmatically, in terms of 'what works'. The Enabling State works, not 'top-down' or 'bottom-up', but rather 'inside-out'. The Enabling State borrows theoretically mostly from nineteenth-century Liberals, such as J.S. Mill, New Liberals, such as Hobhouse, Christian socialists, such as Tawney, working-class radicals and ethical socialists, but is not afraid to borrow from other sources in the cause of solving practical problems, and will turn wherever it needs for the resources it needs.

Having moved down to the level of individuals, our discussion now moves up to the level of British Government policy ideas.

4. THE IMPLICATIONS OF 'ENABLING' FOR EMPLOYMENT POLICY

4.1 Government Departments and Enabling

This section will examine the concept of 'enabling' as seen by Government Departments, namely HM Treasury and the DWP. These concepts define citizenship in terms of employment and this short subsection details a number of interrelated ideas the justification of which is that:

Fulfilment of these reforms (detailed below) will in turn generate the employment to drive forward our shared objectives for tackling poverty and building an inclusive society, where all can share in the benefits of prosperity" (UK National Action Plan, DWP 2004)

It could be argued that this objective is fully in the spirit of Tawney and Marshall, in that the guiding principle is that all citizens can share in the wealth, material, spiritual and cultural, of the society in which they live. The ideas are that active labour market policies consist of tailored help for those without work to prevent long term detachment from the labour market. The combination of

National Minimum Wage and Working Tax Credit will make work pay. It is necessary to reduce barriers to work, such as education (or lack of it), skills and training.

Contestability (the idea that a number of different providers can bid for contracts – there will be no state monopoly) appears in these documents as a concept and practice that has allowed new, innovative approaches to be tested, and acted as a useful comparator for measurement of in-house performance. After all, how can any organisation know whether it is performing well or badly if it has nothing with which to compare itself? The relationship between macro- and micro-economic policy is to maintain macro-economic stability to allow firms to invest for the future, while micro-economic reforms remove the barriers that prevent markets from functioning effectively. And there comes a point where challenges can only be dealt with by means of local action. These reports also note that increasing the skill and qualification levels of the working population increases their earning potential and the range of jobs that they can do, as well as increasing the productive potential of the economy. (DWP 2004, DfES 2003a, Skills in England 2001, HM Treasury 2001, 2002a, 2002b, 2003.)

This approach involves establishing a relationship between the citizen and the welfare state which is active, not passive; which is based on responsibilities as well as rights; which provides support that extends beyond simply the provision of benefits; and which delivers individual services to address the needs of different groups on a dynamic and diverse market (HM Treasury, 2003:2.47)

In these documents the Treasury argues that the problem is not only the demand for labour. There is a degree of mismatch between residents of some urban areas and the skills and attributes required to be successful in the labour market. Every city in the UK has more jobs than it has residents in work. Cities attract commuters. Hence, the worst concentrations of unemployment are caused not by lack of jobs, but the fact that the residents of those areas are unable to compete for the jobs that are there. This is a matter for local

government to tackle a culture of worklessness, poverty of aspiration and cycles of worklessness (HM Treasury, 2003:4.15 and 16). High levels of unemployment and poor skills lead to low productivity, instability, government policies of boom and bust, and poor skills lead to high wages inflation co-existing with high unemployment, high levels of child poverty, with a tax and benefit system which was not fit for purpose. This was a welfare system that used to do no more than hand out the fortnightly giro. It alleviated the consequences of social and economic change, but did not equip citizens to deal with it (HM Treasury 2001). The difficulty is that the tax and benefit systems evolved to meet different objectives. The tax system exists to raise revenue, while the aim of the benefit system is to provide people with financial support when they are in need. But the two must work together, in order to constitute an active welfare system (HM Treasury, 2001:2.8)

Given that there is a well-established link between improvements in skills and productivity provided by New Growth Theory and Human Capital Theory, and given that the level of intermediate skills in the UK is low compared with France and Germany, with a long tail of low-skilled people, with poor basic skills, the role of government must, HM Treasury believes, be to identify market failure, such as levels of investment in skills training, human capital, levels of labour and credit markets, information failures and social externalities, and also the interaction between supply and demand for skills at certain levels, which can lead to the low-wage, low-skill equilibrium. This is a situation where employers believe that there is a low supply of skilled workers, and therefore adopt production techniques that require less skilled workers, which in turn, weakens the incentive to train, reinforcing employer perceptions. Therefore, the problem for government is how to address generic market failure, to try to help the economy move from a lower to a higher skills and productivity equilibrium (HM Treasury 2001, Chapter Two). This task is a society-wide one, which, as Blair hinted in his first speech as Prime Minister (see above) may be beyond the capacity and competence of HM Treasury and the DWP alone.

This study has so far endeavoured to interweave practice, political and intellectual discourse to create a story, located within the intellectual history of

the Labour Party. Having discussed political discourse of the Enabling State, used the Australian experience as a comparator, and discussed Government concepts of what Departments perceive themselves to be doing, as expressed by HM Treasury (the Ministry of Finance), the next section will return to the intellectual discourse of Enabling, within the context of New, rather than Old Labour, in order to show, among other factors, that Enabling discourse has a long history

4.2 The Academic discourse of Enabling

Having examined the views of the politicians, this section will examine the concept of Enabling as it appears in the writings of professional academics. The real importance of employment in New Labour discourse is explained by Whiting (2000) who points out that money itself can be a powerful leveller of social distinctions. In the ways that people are regarded by others, money is an important assertion of a place in the market for goods. He quotes Peter Stephenson, from the *Socialist Commentary*, 1970:

In so far as we have a more materialist society, we also have a society where the worker, when he gets money to spend, can come much nearer to enjoying an equal role with people from other social classes than ever before. Social provision does not have the same impact. Inevitably, it comes from the hands of those who run society, even though they may have impeccable social motives. (quoted by Whiting, 2000:27)

In other words, money gives the individual money he/she has earned for themselves, and can spend as they please. Benefits which are provided in cash therefore raise questions concerning on what people ought to spend it. A wage is not just earnings from a job, it is a source of independence, of self-respect, a source of what Weber might have called 'social honour', for which, in this view, there is no substitute.

Whiting also noted (2000:262) that to some, Labour's Welfare to Work programme, by concentrating on getting the unemployed into work, rather than increasing benefits, and trying to de-stigmatise benefits, seemed perverse,

when examined in a broader economic context. Labour seemed to be abandoning what has been, in Whiting's view, taken to be a traditional function of using the welfare and benefit system to compensate for the inequality and insecurity that capitalism tended to produce, in that, Whiting thinks that there are some who think that the duty of the State is to tax the winnings of the winners in society in order to compensate the losers for losing. But, the problem, it could be argued, is how to enable the people to experience more widely the benefits of economic growth, which the political Right seemed able to dispense only to a small proportion of the population. Labour can be seen to have concentrated on trying to dispense human capital, skills, knowledge, competences, access to resources, responsibility to use those resources, autonomy, rather than simple redistribution of pound notes through the benefit system.

Whiting has touched on a problem here which has been considered in some detail by Beech (2004), who has argued that a positive conception of Liberty is potentially fulfilling, but that some among the Labour Party have considered equality to be the absolute end of the mission of social democracy, which left Labour with no alternative to the negative freedom espoused by the New Right. But Beech asks (2004:98) does more equality equate to a more fulfilling life for citizens? The traditional radical egalitarian view, to paraphrase Philip Snowden in 1907 is about not only putting in place a floor below which nobody shall be allowed to fall, but also, a ceiling above which none shall be allowed to rise (Snowden 1974:7). Making rich people poorer does not necessarily make life better for poor people, nor does it make them more free. The poor are not empowered by making the rich poorer, and Beech argues that greater equality only enables citizens to live a more fulfilling life if it gives them greater economic and social freedom, together with opportunity and experience. Equality, in Beech's view, can be a means for securing freedom, but is not freedom itself. The aim is to empower people to be freer, and foster a sense of community. In this view, equality and social justice can never in themselves be the end game for social democrats. The aim is a nation of integrated individuals who regard themselves as citizens because they have rights and duties within a community. The simple redistribution of cash through the tax

and benefit system does not achieve this, to the extent that it creates classes of citizen who rely on the state for their income, and classes of citizens who do not, and to achieve this aim, it is necessary to change the earnings structure, not the tax figures, providing citizens with the resources and opportunities to pursue their own objectives rather than simply removing external constraints to action, a negative conception of liberty as promoted by neo-liberals (Hickson, 2004:129, Powell, 2002:Ch 2). Whiting himself did understand these notions, for he quoted W.H. Coates as writing, on the subject of Labour's surtax, in 1928:

Poverty and unemployment must indeed be attacked but from an end which, by ensuring the worker employment, preserves and strengthens his self-respect, and not from an end which, because it merely gives him charity, saps at the source of his pride
(Quoted by Whiting, 2000:41)

Whiting's view is that New Labour has more in common with the Liberalism of L.T. Hobhouse than with any other type of socialism. The lead idea appears to Whiting that it is necessary not to take away all property (as General Ireton feared), but to forge a new agreement between members of society, that in return for the winners to keep most of their winnings, they have to give up a proportion of their winnings to help the losers get on the ladder to self-improvement and success. (Whiting, 2000:273). This is an alliance of the haves and have-nots.

Diamond (2005) has agreed with the New Labour agenda, arguing that Labour must, in contrast to the Conservatives, draw on a more compelling vision of freedom in order to define a more modern social democratic politics, including the right to human dignity and fulfilment through the opportunity and security afforded by an enabling state. Diamond's complaint is that New Labour had not defined a coherent doctrine of equality that could be central to a new social democracy. Yet as has been seen above, Labour Ministers in fact have been strenuously trying to do precisely that, and possibly Diamond is aware of this and is targeting those members of the Party who do not share the Blairista agenda. For Diamond agrees that rights and freedoms only have real

meaning where individuals possess the economic and political strength to exercise them – he is not a 'liberal.' Freedom, for Diamond, is not just the absence of restraint, it resides in the capacity and competence of citizens to run their own lives, liberty as autonomy. Interestingly, Diamond claims that his ideas are related to Amartya Sen's (1992) concept of 'social capability.' Diamond says:

Equality and inequality don't merely refer to the availability of social and material goods – individuals must have the capability to make effective use of them. (Diamond, 2005:25)

The New Labour view outlined in this chapter is not shared by some radical egalitarians, for it appears that there may not be a way in which a radical skills agenda can be combined with radical egalitarian outcomes. Buckler and Dolowitz (2004), endeavouring to define New Labour in terms of a variety of Social Liberalism, have argued that there is a problem in the definition of 'social justice' itself. They believe that unequal rewards are not necessarily unfair. Basing themselves on a liberal view of society as a cooperative arrangement for the benefit of all, which implies that what I want for myself, I want for you, it follows that a true recognition of the autonomy of the individual implies rejection of attempts to impose a predetermined pattern of outcomes upon social exchanges. There can only be a set of procedural rules to ensure 'fairness' of outcomes. Buckler and Dolowitz describe this state of affairs as 'social liberalism', which rejects equality of outcome as illiberal, but also rejects unfettered markets as 'illiberal.' The goal is, as Robert Reich (1992) has argued, to achieve a way of redistributing life chances and opportunity to the least well-off, so that all benefit from wealth creation.

In this Social Liberal view, redistribution is not justified in terms of any notion that inequality itself is of itself unacceptable. It is necessary to take into account the fact that skilled working men will not accept the same wages as unskilled men. In efficient markets, inequalities can be acceptable where they contribute to efficient wealth creation, provided that the market itself is free of monopoly, and no one is excluded. It is opportunity that is to be redistributed, from which none shall be excluded.

(Buckler and Dolowitz take their notions of 'liberal' and 'equality' from Rawls. The Author is not aware that any New Labour Minister has ever based an argument on the thinking of Rawls.)

It is possible, by means of a Social Liberal approach, to reach a model of rational autonomous agency, which finds room for collective action that modifies the terms of that agency, in the form of enhancing interventions.

4.3 Skills

One of the more interesting contributions to the Enabling discourse by academics is by Soskice et al (2001), whose article is not specifically about 'enabling' but is an example of enabling thinking. They distinguish between firm specific, industry specific and general skills. Firm specific skills are those acquired through on the job training, and are least portable. Industry specific skills mean apprenticeships and Vocational Education and Training (VET). General skills are the ones learned at school and in formal education. The mix of skill determines what industries produce, and how it is produced and constitutes the 'welfare production' regime. The employment protection regime (the mixture of employment, unemployment and wage protection) can be a decisive element in the skills that workers will invest in and acquire, for example, a semi-skilled industrial worker, a vehicle mechanic or an Administrator in an office.

The claim is that those societies that rely on firm specific and industry specific skills are more egalitarian than those societies that rely on general skills. The reason is that the skills and training systems have important social and economic implications for the academically weak and strong. Countries with strong general skills regimes, such as the USA, offer relatively few opportunities for academically weak school students to improve their labour market value by upgrading their skills outside the school system. There are, therefore, few incentives for weaker students to work hard in school and gain qualifications. But a quality VET regime offers incentives for the academically weaker students to work hard at school and gain qualifications, because they can gain qualifications that employers value. The point is that if it were true, as Soskice et al believe, that school students knew, by the time they entered Year

10 (at age 14) whether or not they were going on to the Sixth Form, then those who know that they will not reach the Sixth Form will have an incentive to work hard and do well in GCSE, knowing that career opportunities will be open to them. But if there were few or no opportunities to those who will not be entering the Sixth Form, then these less academically inclined students would have no incentives to work hard and do as well as they can in GCSE. The result is an impoverished labour pool, marked by skilllessness, poverty of aspiration etc – all the characteristics of the Disabling State described by Blair earlier in this chapter.

Distribution of academic aptitude thus translates into distribution of skills, and consequently, distribution of earning power. So academically weak students in general skills regimes are worse off than their counterparts elsewhere; they are more likely to be trapped in low-paying unskilled jobs (Soskice et al 2001:158)

The implications of this are regarded by Soskice et al as quite startling. The theory they (Soskice et al) advance, and the empirical evidence they assemble, seriously challenges the notion, popular in economic literature, that social protection comprises simply inefficient forms of labour market rigidities. Forms of social protection can provide important competitive advantages. By the same token, it is possible to question the prevalent approach in the sociological and political science literature, and academic social policy literature, which understand social protection solely in terms of its orthodox redistributive effects. (Soskice et al, 2001:176)

Furthermore, Soskice et al find an empirical association between skills and earnings equality. Specific skills systems generate high demand for workers with good vocational training, which means that young people who are not academically inclined can be offered career opportunities that are largely missing in general skills systems. In the one system, a large proportion of early school leavers acquire valuable skills through the vocational training system; in the other, most early school leavers end up as low-paid unskilled workers for most or all of their working lives, disabled.

Soskice et al are sure that the two dichotomies of skills systems and wage-bargaining systems account for nearly 70% of the cross-national variance in income inequality.

Yet despite their importance for explaining inequality, neither variable is accorded much attention in the established welfare state literature, notwithstanding the focus on redistribution in this literature. (Soskice et al, 2001:178)

Three implications at least can be drawn from this work by Soskice et al. Firstly, the sociologists, political scientists and academic social policy experts who have concentrated on the tax and benefits systems may possibly be misdirecting their efforts. It is possible to argue that to take pound notes from one class of the nation (the rich) and give them to another class (the poor) certainly redistributes pound notes, but does nothing to address the inequalities of earning power that caused the inequalities of wealth in the first place. Spending power is redistributed, but not earning power, and therefore, the argument would run, the source of inequalities, and the basic power structure remain unchanged: the disadvantaged remain, in terms of earning power, disadvantaged. Traditional redistribution does little or nothing to enable the disadvantaged to overcome their disadvantage, and become no longer 'disadvantaged.' This perspective is then, one of the major understandings that the Enabling State concept has been able to assimilate, namely, that the function of the State can be to enable citizens to enskill themselves and acquire earning power by their own efforts, assisted by the State, rather than to simply re-distribute spending power, leaving the earnings structure unchanged. But it is up to the citizens to put in the effort to improve themselves, and gain new skills. The State cannot do the studying for them. Nobody can 'be given' skills.

Secondly, the social policy experts, by treating inequality as purely a matter of pound notes to be redistributed through the tax and benefit system have saddled the Labour Party with a radical egalitarian agenda that is foreign to Labour's real nature. The Party was set up to defend the interests of the working man and his family. In the words of the original Clause Four:

To secure for the producers by hand or by brain the full fruits of their industry, and the most equitable distribution thereof that may be possible, upon the basis of the common ownership of the means of production and the best obtainable system of popular administration and control of each industry or service. (Quoted by Pelling 1993:44)

The word is 'equitable', not 'equal'. As Pelling remarks, the people who wrote Clause Four were not radical egalitarians, and they accepted that while wage differentials between skilled, semi-skilled and unskilled were not 'equal', they were perfectly 'equitable' (Pelling, 1993, Wilding, 2001:179). Indeed, the then Labour Party Leader Harold Wilson, writing in 1964 for an American audience, quoted a section of Clause Four as saying that the party existed to 'promote the political, social and economic emancipation of the people, and more particularly, of those who depend directly upon their own exertions by hand or brain for the means of life.' Wilson also notes a declaration presented to Party Conference in 1959, accepted overwhelmingly, which said that the Labour Party stands for a society where, among other things, 'the wealth produced by all is fairly shared among all; where differences in rewards depend not upon birth or inheritance but upon the effort, skill and creating energy contributed to the common good; and where equal opportunities exist for all to live a full and varied life' (Wilson 1964:10). This is what 'self realisation' is. Hence, in the Enabling State, the Labour Party returns to its true heritage, emancipating working people to achieve by their own efforts.

Thirdly, if Soskice et al, are correct, then it could well be that the most egalitarian policy a Labour Government could follow might well be, what it is trying, and being unreported as doing (Apprenticeships Task Force 2005) to resuscitate the traditional (or non-traditional) craft apprenticeship. Such a policy would, according to Soskice et al provide a route for non-academic school students to work hard at school, gain good GCSEs, leave school at 16, gain an apprenticeship which provides a transition from boy to man, opportunity to become a truly free human being, and a route to increased earning power, which would narrow the earnings gap between the top and bottom of society, and also provide young people with a route to status and

respectability in adult life as 'skilled working men'; today, such a policy would also have to provide the same route for women. Such a policy would be truly egalitarian, since what it would redistribute would be earning power, as well as spending power; it would redistribute status and honour, in the Weberian sense; and given its link to its historic base, would be thoroughly 'Labour.'

Hills (2000) has shown how much of a political imperative there is to move towards the Enabling State agenda. He has used the British Social Attitudes Survey to show how little support there is for the idea of raising social benefits. He has argued that the New Labour administration has been more redistributive than Old Labour would have been, and that it would not have been possible for either Blair or Brown to have put together an electoral coalition to gather universal, or even majority support to raise Jobseekers Allowance. Yet it has been possible to put together a coalition to raise Working Tax Credit, which is seen as helping people to help themselves, and who, at the same time, need help most.

5. CONCLUSIONS

This chapter has endeavoured to demonstrate how the concept of the Enabling State has been elucidated in both the rhetoric of New Labour, and in the theory in academic and not so academic writing. New Labour Ministers, have, in their own view, transcended older debates in Left Wing circles, and gone beyond what they regard as sterile debates about the respective roles of public and private sectors. Instead, the argument is that while the State must not retreat, and has not so retreated from its basic role as agent of collective action, it can no longer proceed on the basis of 'one size fits all' solutions to social and economic problems. Citizens are differentiated in many ways, and have many different problems and barriers between what Gordon Brown has termed 'the gap between what they are and what they have it in themselves to become.' There is, in Enabling State discourse, no presumption that the central Government has a monopoly of wisdom. Rather, the assumption is that citizens themselves either know, or can learn their own business best, and that it is not for the state to impose solutions on them but, rather, through education, training, provision of opportunity, removal of barriers, to enable

citizens to work out solutions to their own problems. Furthermore, the state is prepared to involve the organs of civil society to work in partnership with the state: by 'civil society' is meant that vast range of voluntary and community groups, Trade Unions, churches, not-for-profit organisations, such as the WEA and various Third Sector operations which between them possess vast ranges of skills and expertise.

The argument of the chapter has been that the Enabling State has put at its heart macro-economic stability. The view is that only businesses create work to be done. The state itself can create work insofar as it employs people to perform tasks, but cannot itself act as employer of last resort. Instead, businesses, entrepreneurs, create work, but can only do this if they can be confident that, for example, interest rates will remain within a certain range for the foreseeable future. Businesses will not invest if they do not know whether interest rates will be 5, 10 or 15% next month. Nor will they invest if they think that the Government will use the tax system to take purchasing power out of the economy for its own reasons, as Geoffrey Howe was seen to do in 1981, to combat inflation by reducing total demand in the economy. At the same time, while businesses can create work to be done, workers can only take that work to the extent that they possess the skills, abilities and experience to perform that work. This applies to State enterprises as well as private ones. Hence the skills and training agenda outlined by HM Treasury, the DWP, and the Apprenticeships Task Force.

At the same time, citizens must be free to make choices in areas of their own lives. Gordon Brown, as has been shown in the Hugo Young Memorial Lecture, passionately defended an ideal of Liberty which owes nothing to Libertarian ideas of negative liberty, but to ideas of capacity and competence to choose which originate in the thinking of New Liberals such as Green, Huxley and Hobhouse. S/He who makes no choices in his/her life, or who has not capacity and competence to choose cannot be free.

But the State cannot make choices for its citizens; hence, New Labour emphasises that citizens owe duties as well as possessing rights. The state will promote education and training, with the aim of liberating human potential,

the potential of all the citizens. Its guiding value is equality of worth, and right to self-realisation. 'Equality' does not mean 'everyone gets the same', but that all have equal right to self-realisation, even though not all will realise themselves equally.

To realise their aims, New Labour have developed a programme with many different dimensions which include Modern Apprenticeships, the New Deal, Skills for Life, New Deal for Communities, Excellence in the Cities, reform of the tax and benefit system to make work pay, that is to ensure that no citizen shall be worse off in work than on benefit, the Minimum Wage, Employment Protection, in the form of the 1999 and 2002 Acts.

It is impossible to give full consideration to all of this agenda. Therefore, Chapter Five will consider mainly two aspects, the New Deal, especially the New Deal 50+, and the Skills for Life agenda, as examples of how disadvantaged citizens can become 'enabled.'

The following table illustrates, in tabular form, the building blocks of the Enabling State.

Economics	Stability, predictability, growth Entrepreneurship, security, opportunity
Education	Human capital
Equality	Equal worth, not identical provision
Ideals	Aspiration, ambition, status,
Key policies	NMW + WTC+ Surestart + Excellence in the Cities + Childcare +3Es + New Deal = Welfare to Work
Social Liberalism	Individual Liberty
State	Master or Servant
Relationships	Government – Citizen, not Patron -Client
Redistribution aim	Earning power, and social honour, not spending power

Source: The Author

CHAPTER THREE: ANTECEDENTS OF ENABLING STATE THINKING

To exaggerate the functions of the State is to intensify the political problems involved in a full employment policy. The "State" after all is a group of fallible ambitious human beings. (William Beveridge, quoted by Harris 1997:435, 1943)

1. INTRODUCTION

This chapter will investigate the antecedents of Enabling State thinking. It only takes the story up to 1944, and the publication by Beveridge of 'Full Employment in a Free Society,' making some notes on the aftermath of that book. Subsequent developments will be the subject of Chapter Four. It will study the Putney Debate of 1647, in order to trace an argument about who England belonged to, who is entitled to participate in the life of the nation. It will then investigate the origin of the duty to work on the part of the labouring classes, including the nature of the Poor Laws, which constituted, for three hundred years, English social policy towards those who either could not, or supposedly would not work. It will show how, both in public policy and in working-class voices, the development of the labour market changed the status of the worker, and that this status, reflected in law, incorporated the labouring classes into England, bringing about the participation of those classes in the life of the nation. This thinking, this definition of citizenship, was expressed by intellectuals, such as Hobhouse, Beveridge and Tawney, who thought in terms of how the State could help citizens to look after themselves, rather than be looked after by the State. This chapter will describe the Beveridgean welfare state in terms of what Beveridge perceived himself to be doing, which was in line with this Liberal tradition.

It will be argued that Beveridge did not perceive himself to be 'relieving poverty', so much as eradicating the conditions that caused poverty in the first place – worklessness, low incomes from work, lack of skills and education to obtain and re-obtain work: a precursor of the modern concept of 'employability.' This concept, it will be argued, meets a working-class aspiration for self-improvement.

These concepts constitute the antecedents, the building blocks, of 'enabling' and the nature of the Welfare to Work regime. This chapter is therefore not a history of the politics of the English working classes, nor is it a history of Trade Unions, nor does this chapter constitute a history of the Welfare State, or 'welfarism.' Rather, the aim is to read history backwards, to start from where we are now, look back into history, and identify events and themes from which concepts of 'enabling' have been built up. In the case of Gordon Brown, this is straightforward, as Brown himself has identified influences on his thinking in speeches. In the case of other politicians who are more reticent in this respect, the task is harder, unless it would, somehow be possible to check their libraries or biographers to identify influences. Consequently, all that can be done is to identify similarities and parallels in thinking and action. It is for this reason that cause and effect is highly problematical, and identifying such similarities is all that can be done, without falling into the trap of *post hoc, ergo propter hoc*.

This chapter will also note how the concept of 'poverty' itself changes. Nassau Senior, Seebohm Rowntree, Charles Booth and Peter Townsend would not all have defined poverty, or a solution to it, the same way.

Further, the chapter will also, in the process of investigating the antecedents of the Enabling State, demonstrate how work itself enters, or rather is brought into the discourse of citizenship. This event, or rather process, occurs as the modern world of work comes into being, and as the concept of citizenship itself changes to incorporate the idea that citizenship involves the idea that all classes of citizen are entitled to share in the wealth of England.

Nevertheless, it is necessary to enter a caveat, which is that it is possible that working people did not actually welcome 'welfarism' either at the time, before the First World War, or after, instead preferring the independence to make their own futures as respectable men – an aspect of working-class respectability. Those who were in decently paid work (the majority) neither wanted nor needed 'welfare.' This chapter therefore, far from being a history of welfare, constitutes in part a critique of 'welfare.'

2. FORERUNNERS. PRACTICAL AND INTELLECTUAL CURRENTS 1647 - 1880

2.1 The Levellers and the Putney Debate.

In order to establish just who is included in 'England', it is necessary to refer back to the year 1647, when the officers of the New Model Army gathered at a church in Putney to debate where to proceed after the victory they had won over the Royalist forces during the Civil War begun in 1642.⁶ The chief intervention, for this chapter's argument, was by the Leveller, Colonel Thomas Rainborough (the Levellers might be considered England's first, or prototype Socialists):

For really, I think that the poorest he that is in England hath a life to live as the greatest he; and therefore, truly sir, I think it's clear, that every man that is to live under a government, ought, by his own consent, to put himself under that government. (Woodhouse, 1938:53).

This passage is worth some consideration because of the light it sheds on contemporary accounts of who England belonged to, and who was entitled to participate in the life of the nation. General Ireton, Oliver Cromwell's son-in-law, replied that "no person hath a right to an interest or share in the disposing of the affairs of the kingdom...that hath not a permanent fixed interest in the kingdom", and continued:

All the main thing I speak for, is because I would have an eye for property. I hope we do not come to contend for victory – but let every man consider with himself that he do not go that way and take away all property. For here is the case of the most fundamental part of the constitution of the kingdom, which, if you take away, you take all by that (Woodhouse, 1938:54).

⁶ The debates began on 28 October 1647. For three days, the proceedings were transcribed *verbatim* by the secretary William Clarke and a team of stenographers. From 2 November, however, all recording ceased. The debates were not reported and Clarke's minutes were not published at the time. They were lost until 1890 when they were rediscovered at the library of Worcester College, Oxford, by the historian C.H. Firth and subsequently published as part of the *Clarke Papers*. There was a new edition published by Woodhouse, in 1938, (the version relied upon here.)

What is happening here is that Colonel Rainborough is arguing that the Nation, England, includes all Englishmen, all those who reside in the country (although not, in the year 1647, Englishwomen) and that all Englishmen have the right to participate in the government of England. But General Ireton replies to the contrary, that the right to participate depends on having a stake in the nation, and that this stake must take the form of property. Henceforth, England is to be governed by the 'men of property', not those who are merely inhabitants. Ireton was being fastidious about who exactly constituted 'The People', and defined 'The People' as 'the property owners.'

General Ireton continued, 'If you admit any man that hath a breath and being', a majority of the House of Commons might be elected who had no local and permanent interest in England. 'Why may not those men vote against all property?... show me what you will stop at; wherein you will fence any man in a property by this rule" (cited in Woodhouse 1938:55).

Here, Ireton makes an unqualified identification of political rights with property rights. Another Leveller, Colonel Sexby, asked:

There are many thousands of us soldiers that have ventured our lives, we have little propriety in the kingdom as to our estates, yet we have a birthright. But it seems now, except a man hath a fixed estate in this kingdom, he hath no right... I wonder we were so much deceived (Woodhouse 1938:55)

And Rainborough commented:

Sir, I see that it is impossible to have liberty but all property must be taken away. If it be laid down for a rule, it must be so. But I would fain know what the common soldier hath fought for all this while? He hath fought to enslave himself, to give power to men of riches, men of estates, to make himself a perpetual slave (Woodhouse 1938:55)

The interpretation of Thompson (1963:25) is that the common soldier had fought for the limitation of the prerogative of the crown to infringe his personal rights and liberty of conscience, the right to be governed by representatives, even though he had no part in choosing them, and the freedom to obtain money and estates, which were the

sources of political rights, in order that 'Liberty may be had and property not destroyed.' (Fraser, 1972, 1984, Royle, 2005.)

Colonel Rainborough lost the Putney Debate (he was murdered in Pontefract in 1648⁷) and the Levellers were forcibly suppressed, but Thompson argues that for over two hundred years, the right to participate in the affairs of England, as a definition of citizenship itself, was restricted to those who owned property, signified by the property qualification for the vote. The contention of the Levellers was that citizenship, right to participate, right to be considered as part of England, ought to include all the people, rich and poor, whether they owned property or not. But General Ireton, who won the argument, asserted that citizenship, signified by the franchise, should be restricted to those who owned property, no matter how it came to be acquired. Hence, the fact that a person worked for a living, and had an interest in England, did not qualify that person for the franchise, unless that work could be converted into a fixed property. However, Rainborough's argument, quoted by Gordon Brown (Chapter Two herein) provides the basis for 'a society in which no one shall be left behind,' in that all Englishmen, rich or poor, equally, have a life to lead, and are of concern to Government. In 2011, the argument includes Englishwomen.

2.2 The labouring classes and citizenship.

Thus, the arguments put forward by the Levellers were effectively put aside at Putney. Property remained the sole grounds for obtaining political voice and the vote until 1867, when the Reform Act granted the vote to all male householders in the boroughs. The 1884 Reform Act extended the franchise to all householders (ie men) paying an annual rental of £10, or holding property valued at £10. This was not universal suffrage, as it extended the franchise to only some 60% of adult males, and no females. This means that work, in the sense of labouring and employment concerning the production of goods and services, for a market, brought with them in themselves, no entitlements to citizenship, in terms of participation in the affairs of the nation, either in theory or practice.

However, this did not mean that English public policy was unconcerned with the work that the labouring classes did. Nor does it mean that the work that workers did was of no concern to the State, as the following sections will explain.

2.3 The labouring classes and the duty to work

Compounding the lack of association of working with any entitlement to citizenship rights was the concept of the social duty to find a livelihood and to practise it, unless freed from such an obligation by access to wealth. The duty, as a concept embedded in law, of the Englishman or woman to work, or to be able to access such wealth as not to need to work, lies deep in history. The Ordinance of Labourers (1349) and the Statute of Labourers (1351) made it unlawful to demand, or even offer rates of pay higher than those prevailing before the Black Death of 1349, and it was also against the law to refuse to work (Dyer 2002:282). Servants, for example, could not decline an offer of a year's employment, nor could they break a contract by leaving before it was completed. The Ordinance forbade giving alms to those capable of work 'so they may be compelled to labour' (Dyer 2002:283). There was also a schedule of *maximum* wages for various occupations (Fryde 1996:33). The Statute of Cambridge (1388) went further: those wandering in search of work were expected to carry documents, and beggars were supposed to stay in their place of origin. The local gentry, the specially appointed Justices of Labourers, and later Justices of the Peace, who had a general responsibility for law and order in the localities, had to enforce the law, and villagers were encouraged to bring offenders to the notice of the Justices (Dyer 2002: 283).

The actual process of forcing labourers to labour was described by Marx in Chapters 27 and 28 of *Capital*, Volume 1. Marx began Chapter 27 by arguing that serfdom had vanished in England by the end of the fourteenth century, and the vast majority of the population consisted of free peasant proprietors, who, over a period of several hundred years, simply had their land stolen from them by an aristocracy which found agricultural production on a larger scale more profitable. Thus began the process of primitive accumulation of capital and the beginnings of 'capitalism' proper in England. It was this appropriation of the land that created a class of landless labourers. In Chapter 28, Marx recounted in detail some of the many laws introduced during the sixteenth and seventeenth Centuries to control this class –

flogging, branding, mutilation, even slavery and execution to enforce the duty to work on those who, seemingly, would not work.

The problem of how to deal with those who either could not work, or could not earn enough to survive, was dealt with by the Poor Law. Briefly, under the Act, those who could not work, the old, the sick, the lame, the blind, the impotent, were to be cared for, if possible in their own homes, by the parish, which would supply them with the necessities of life, either in cash or kind. Children were to be apprenticed, up till the age of 24 for boys, 21 for girls, to a local journeyman. Those who had no means to maintain themselves, nor ordinary trade of life to get their living by were to be set to work, under supervision, producing flax, hemp, wool, thread, iron or other necessary wares. Reluctant workers were to be incarcerated in the House of Correction. Parishes had to raise a local rate of between two and five pence to finance such schemes. This Act, although amended many times over the years (1662, 1722, 1782) remained the basis for 'social policy' until the twentieth century. It was not finally repealed until 1930 (Marshall, 1969). However, this tradition constitutes another building block of Welfare to work: all citizens must work; those who cannot will be cared for, those who will not will be sanctioned. This aspect of New Labour's agenda is four hundred years old. To be more exact, the aim of the Poor Law was not to provide 'benefits', but to return the worker speedily to work and independence – Welfare to Work without the 'welfare' function.

This Poor Law was amended significantly by the Poor Law Amendment Act of 1834, the last in a series of amendments introduced to take account of the population movements and industrialisation that had made the old Poor Law inoperable. A new approach was expressed by the economist who most influenced this new Act, Nassau Senior, who said that a proper wage was the amount the employer was ready to pay, not the needs of the labourer and his family (Jones 2000:5).

1834 marks a radical break in English social policy. The principles of the Amendment Act were centralisation, rather than localisation, the Workhouse test – a person had to maintain themselves or enter the workhouse – uniformity of provision, less eligibility – the workhouse provided a standard of living 'in no case so eligible as the conditions of a person of the lowest class subsisting on the fruits of their own industry', and no incentive to idleness (Jones 2000:8). And moreover, those who

entered the workhouse lost all citizenship rights, making the pauper a sub-citizen as well as a pauper, and the effects were achieved, not by making those in work better off, but by making those out of work worse off, an essentially punitive policy. The 1601 Poor Law can provide an antecedent of welfare to work, but the 1834 Act is an anti-antecedent.

The prevailing public discourse was described by Fowle, writing in 1881, discussing Senior's views: the state of a person unable to labour, or unable to obtain in return for his labour the means of subsistence is 'Indigence', which can be provided for; begging is 'mendicity', which can and will be extirpated; while 'poverty' is the state of one who, in order to obtain a mere subsistence, is forced to have recourse to labour, about which nothing can be done. "The knowledge that the necessities of life can be had for the asking naturally induces men who are not really destitute to throw themselves on the State for aid" (Fowle 1980:3).

The 1834 Act therefore drew a distinction between the 'deserving and undeserving' poor, between those who could not work and those who supposedly would not work (Glennester 2004), and the remedy for indigence was the workhouse, which provided not work, but sustenance (Cole, 1942:9.) From 1601 to 1911, the problem was seen not as lack of work, of which there was always supposed to be plenty to do in an agricultural economy, but of low incomes from work, which was to be relieved as a right, not as charity by the parish. Kumar observed (1988:144) that the workhouse was not used by able-bodied males before 1834, and was not supposed to provide 'jobs', and those that tried failed, expensively, because it simply was not possible to provide profitable work for workers whose skills were the very ones not required by commercial employers. Attempts to do so provided only a short-term palliative. Kumar continued his argument with the idea that the difference between the old Poor Law and modern times is that then there were alternative sources of subsistence. Many workers had gardens where they could grow their own vegetables, and perhaps keep a goat or some chickens. There were other types of work; neither the practice of acquiring credentials nor specialisation existed. Eighteenth-century work was organised around the home; women and children worked, and unemployment for a man was not necessarily a disaster for a family (Kumar 1988:148.)

Kumar, and Pahl (1988) thus argue that the nexus between employment and citizenship can be found in the factors that combined to create the modern world of work, in which the vital factor was the emergence of the male breadwinner model in the course of the nineteenth century, a period during which women were forced out of the labour market by, for example, the 1842 Mines and Factories Act, which forbade the employment of women and children in the mines and some factories, while alternatives were closed off by, for example, enclosures of common land. Jones (2000:2) claimed that between 1761 and 1844, there were 4000 private Acts of Parliament that enclosed six million acres of land. There has been a labour market in England since the twelfth century, but only in the 1880s has there taken hold the idea that people should obtain all their material resources from it as consumers (Malcolmson 1988, Ch 2). Heclo (1974:29) notes that according to Gregory King's estimate in 1685, only one third of families had a wage-earner as the family bread-winner, but by 1911, the Census counted six out of seven of the occupied British population working for wages. The development of this labour market means that avoiding poverty depended on becoming and remaining a wage earner. Social security depended on economic security, which depended on income security, which came to mean permanent, full time employment.

This development of the labour market represents a major change in the status of the worker. The one who was forced to enter the workhouse lost all citizen rights (Jones, 2000, Marshall, 1969) and had no claim to the material, spiritual or cultural wealth of England. 'Employed' status became the only one entitling the worker to a claim on the resources of society, and the 'social question' becomes, as the minority report of the Royal Commission of the Depression of Trade and Industry of 1886 said:

The great problem of this age was not the scarcity and dearness of commodities, but the struggle for an adequate share of that employment which affords to the great bulk of the population their only means of obtaining a title to a sufficiency of those necessities and conveniences, however plentiful they may be (Quoted by Kumar 1988:164.)

The beginnings of the welfare state that appeared before the Great War can be seen as recognising that there was a class of working people, and that the work that they did, and the conditions under which they did it were a legitimate concern of the State and political discourse. The Trades Disputes Act, Workmen's Compensation Act, Education (Provision of Meals) Act, all in 1906, the 1908 Mines Act, Children and Young Persons Act, Old Age Pensions Act, 1908, the Labour Exchanges Act, 1909, National Insurance Act, 1911, the transformation of the employment relationship itself, from Master and Servant to contractual 'employer-employee', can all be seen as a means by which the working classes came to be part of England (McIvor, 2001 Ch 6). These Acts demonstrate a concern for the way these men and women were treated by the society in which they lived. Indeed, McIvor has interpreted the New Liberal legislation as a new non-Marxist theory of the State, arguing that by 1914, the State was itself the largest single employer in Britain, and was acting as exemplar, policy-maker, and law enforcer. Local authorities were including 'fair wage' clauses and Trade Union recognition in local labour agreements. The Workmen's Compensation Act of 1906, the Trade Boards Act of 1909, which set up Wages Councils to set wages for unorganised, low paid workers, the Consultation (Trade Disputes) Act of 1896, the Trade Disputes Act of 1906, the setting up of the Labour Department of the Board of Trade added up to a system that was making possible minimum wages systems. McIvor's argument is that while none of this added up to a New Jerusalem, the period 1896 to 1914 was nevertheless a period of radical change, involving a sharpened sense of entitlements to rights in the workplace, which was imbuing workers with a sense of citizenship, optimism and confidence in the future. These concepts of improving the social protection of the worker in work thus form a series of antecedents of the Enabling State: the idea that the situation of the worker in work is the concern of the State, and enabling the worker to improve his own situation.

Winston Churchill, President of the Board of Trade who introduced the National Insurance Bill to the House of Commons, in a series of speeches made between 1906 and 1909, described this programme as a series of interdependent parts of a large and fruitful plan of Liberal Statesmanship.. Churchill did not use the term 'enabling'; he termed this programme 'social organisation'. J.A. Hobson, writing contemporaneously, used the term 'social utility,' (Hobson, 1902:135) while the

journalists L.T. Hobhouse and C.P. Scott of the Manchester Guardian, used the term 'progressivism' (Clarke 1971:394). Hobson (1938:52) wrote that the term "New Liberalism" was used by Samuel and others as rightly descriptive of its aims, drawing on the thinking of T.H. Green. Nevertheless, this programme constitutes a definite antecedent of the Enabling concept. The cause of the Liberal Party is 'the left-out millions,' (Churchill 1973:78). "I look forward to the universal establishment of minimum standards of life and labour, and their progressive elevation as the increasing energies of production may permit (p79); "we want to draw a line below which we will not allow persons to live and labour, yet above which they may compete with all the strength of their manhood. We want to have free competition upwards; we decline to allow free competition downwards" (p82); "we have not pretended to carry the toiler on to dry land; it is beyond our power. What we have done is to strap a lifebelt around him, whose buoyancy, aiding his own strenuous exertion, ought to enable him to reach the shore (p 210.)

2.4 Working-class voices

Having reviewed the changing political discourse of work, working-class voices also expressed changing views about the place of work in society. There is a view of the process by which working-class Englishmen became part of England presented by McClelland (1986) following his researches into nineteenth-century working-class history on Tyneside. (This is not history as told by, eg, Thompson or Cole.) McClelland argued that by the 1840s the classical political economy of Adam Smith and David Ricardo, which contained a labour theory of value, had become the common sense of the day, and was accepted by workers and their leaders, who saw labour and capital as bound together in one project, in which labour was the foundation of wealth and society. McClelland thus argued that, to a working man, it was therefore common sense that since workers were the producers of wealth, the founders of society, the creators of national prosperity, then labour was the 'arch of society', while capital was the 'keystone.' McClelland points out that it was not Marx, but the President of the Chainmakers Society who said that 'Capital is accumulated labour, useful inventions, acquired skill which has been handed down from the . . . past', and that it was John Burnett, of the Engineering Union, who observed that Political Economy defines Labour as 'the voluntary exertion of mental and bodily faculties for the purpose of production, or as the action of the human frame directed

to the manufacture of useful articles.' McClelland's argument continued that since these men accepted the idea of the wages fund and the conventional laws of political economy, they accepted the right of Capital to a rightful share of the product, in the form of profit; they also demanded the right of the working man to his share of the income, the natural fruit of his labour. This, says McClelland, was an appeal to the laws of Political Economy, not laws of natural justice or natural rights, and therefore the Trade Unions, which represented the working men, had their place in ensuring that working men obtained their proper place in the nation, as being entitled to the fruits of their labour.

One of the interesting aspects of working-class history is how the position of working Englishmen changed over the years. Cole (1947: Ch 9) argued that the history of the working class movement up to 1848 was the story of that class's adolescence, a period of inchoate and inarticulate struggle which looked back more than forward, epitomised by Chartism (See also Stedman Jones, 1971 on this). After 1850, the working classes entered a new phase and settled down to make the best of the new conditions. These working classes were no longer peasants or former peasants, but industrial workers who had forgotten their peasant origins, and forsook Chartism for Trade Unions. Industrial Capitalism matured. Capitalists no longer needed to exploit workers so ruthlessly. The Bank Charter Act of 1844 and further Acts of 1855 and 1862 put banking on firm foundations, set out new bases for raising capital, and legalised limited liability. The resulting prosperity financed a rise in the standard of living for all, and among the consequences were moderate Trade Unions and Co-ops ready to live with industrial capitalism, and negotiate with employers. Employers were prepared to negotiate with Unions who were not trying to overthrow the Capitalist order. The result was stability, which enabled progress to be made in an atmosphere of peace and work.

Furthermore, Cole noted (1947:150) that a larger proportion of workers were rising into the skilled grades, and enjoying higher wages corresponding to their increased skill (human capital), with the result that skilled labour was able to raise its head and imbibe, with increased self-respect, a philosophy of thrift and self-help (a self-improving drive, 'aspirations', feelings of ambition and desire for improved status). The growth of prosperity also led to an expanded professional class. Cole also noted at this time the rise of the Co-op, Friendly Societies, Working Men's Clubs.

Thus, the skilled trades at least were gaining a stake in England, symbolised by the formation of the Trades Union Congress (1868) and the changing public status of Unions themselves. Cole judged (1947:271) that the upper strata of the working classes became, to an extent, assimilated to the lesser middle class. Union Leader became a respectable calling; New Unionism became respectable, and so did Socialism. This happened because the working-class standard of living had risen to a point which made respectability possible without heroic effort, and, as we have seen in Chapter Two, aspiration, ambition and status are key terms in the Enabling lexicon.

McClelland's researches, however, concerned the skilled men of the decades of the 1870s and 1880s, and the skilled men, the artisans, were the leaders of the working classes, and their concept of skill is worth considering for the light it sheds on working-class ideas of dependence and independence. To the skilled men of the day, a craft apprenticeship was the transmission of skill, a transmission of culture, the only capital a working man had (More 1980, Robertson 1997). Skill meant pride in oneself, pride in one's tools, a repository of collective knowledge, experience and learning. Learning of skills was imbricated with the construction of social identity, the personal identity, the very manhood of the worker (McClelland 1986:192). To have 'served your time' was to have become a competent worker, a man, a truly free human being, taking part in a system of reciprocal, morally regulated exchange of labour against capital. The result was that employers should treat the men who worked for them decently, as workers 'doing their bit' for the firm, as participants in the process, men with rights and duties (McClelland 1986:195). Since employers were considered to be capable of dereliction of their duties, it became necessary to establish the legal and political conditions necessary for the existence of this labour market, namely, that workers and employers should be able to meet on the basis of equality under the law, a central concern of the campaigns for the vote and reform of the labour laws mentioned above (McClelland 1986:200.)

McClelland concluded his argument in terms of how the working man saw himself at the time by quoting a 'Trade Unionist from Jarrow' in a prescient remark upon 'Lifelong Learning':

If man is to be a progressive animal he must have time to improve his mind. Surely God did not give man the knowledge to invent machines simply to increase the capital of the wealthy, but for the benefit of man, by reducing his hours of toil, so that he may cultivate his intellectual faculties as a reasonable being and rise in the scale of Creation. If the masters would but concede the small boon of one hour to the working bee that makes his honey, they would reap a rich harvest of gratitude...learning is much talked about at present, but, if the labourer cannot get to the place where it is to be had...it is like starving a man outside a cook shop – there are good things inside but they are beyond his reach (*Jarrow Chronicle*, 10 June, 1871, quoted by McClelland 1986:206.)

McClelland also quotes trade unionists as saying that:

The regulation of our labour in such a way that we may have the opportunity of sufficient intercourse with our families.

Leisure to live, leisure to love, leisure to taste our freedom (*Boilermakers Annual Report*, 1883, quoted by McClelland, 1986:207.)

Thus, these artisans had dependents, mouths to feed other than their own, and they considered that a proper life outside work would make them happier men, better husbands, fathers and brothers, worthier members of society (McClelland 1986:208). These men saw themselves as 'respectable' men, and that bad housing, lack of education would not lead them to a contented family life, where they could live a civilised life according to the norms of the society in which they lived. In this way, McClelland's argument reflects the ideas of R.H. Tawney, who defined 'equality' as the idea that no class should, by reason of its class, be excluded from the wealth of the society in which they lived, and T.H. Marshall's concepts of social rights.

On the intellectual front, the rights of the working classes can be seen in the thinking of the New Liberals of the 1880s onwards, expressed practically, as will be seen later, in the work of Beveridge, Lloyd George and Winston Churchill, and in the intellectual sphere by such writers as T.H. Green, J.A. Hobson and L.T. Hobhouse. Hobhouse framed his Liberalism as a personality growing from within, of classes

growing into participation by actually participating in public affairs (Hobhouse 1911: Ch 7), of a collective, communal will, in which it was the function of the State to secure the conditions upon which its citizens are able to win by their own efforts all that is necessary to a full civic efficiency (Hobhouse 1911:158). The State must not feed, clothe or house its citizens, but it must ensure that a normal (male) citizen can, by useful labour, feed, clothe and house himself and his family (Hobhouse 1911:159). In the view of these New Liberals, the right to work and the right to a living wage are just as valid as the rights of person and property. Hobhouse's idea is that a society in which an honest man of normal capacity is unable to support himself by useful work is a defective society, and that because a single man cannot put that society right on his own, it is the duty of the public authority to help him, and that this is a claim of justice, not charity. The alliance of this New Liberalism, which arose in contrast with Old laissez faire Liberalism (Clarke et al, 1987, Skidelsky, 1999, Parker 1975, Bryson, 1992) combined with the practical work of Booth and Rowntree, can be said to be the animating spirit behind the Liberal Governments of 1906 to 1914, to which Beveridge gave practical expression in the form of National Insurance and the Labour Exchange, as will be seen later. Oddly enough, much of the literature of social policy (George and Wilding 1985, Hewitt 1992, Lowe 1999, Mullard and Picker 1998, Fitzpatrick 2001, 2005, for example) has ignored these New Liberals and has thus, arguably, misunderstood the subsequent development of the Welfare State itself, as well as failing to understand Welfare to Work. Thus, the Enabling state draws on working-class traditions of self-help, aspiration and independence which are of considerable depth, and the antithesis of 'welfare'.

3. THE WORKING CLASSES AND STATE WELFARE IN ENGLAND 1880 – 1914

From the account above, it might be wondered whether working-class people would welcome the Welfare State reforms of the pre-Great War period, and whether working-class pressure had been the inspiration for the Liberal reforms. Students of what Kolakowski (2005) has called The Golden Age of Social Democracy might take this view, which might be the political version of the industrialisation thesis (Pierson 1998:20). Elements of such an argument might be true, if it were possible to account for the different forms in which reform occurred in different countries, and if it were possible to argue in terms of a transition from traditional to modern society, shaped

by a progressive-evolutionary logic involving the working classes. State welfare is often considered to express the offer of a form of citizenship to the people, which was the argument of for example, Esping Anderson (2000), and T.H. Marshall. This section intends to use the work of Thane (1996, 1999) and Heclo (1974) to suggest a caveat, that there might be a different interpretation, in which social security reforms appear neither as the achievement of the working class, nor a capitalist conspiracy, but the product of reformist politicians and policy-makers: in the language of this study, 'top-down' rather than 'inside-out' thinking.

Thane (1996, 1999) has argued that such evidence as exists points to how working-class people were indifferent or even hostile to some of the great Liberal reforms, at least until the introduction of old age pensions. This opposition was based on traditional working-class notions of self-help and independence, suspicion of the State as a complex of institutions run by and for the rich, and a suspicion of State intervention applied unequally to different social classes. Thane quoted Henry Pelling, who found hatred of the Poor Law, hatred of compulsory schooling, which took children away from work into unproductive schooling, and hatred of housing clearance programmes. The Poor Law was hated because, until the invention of unemployment insurance, it was the only form of State provision for those in need; however, the Poor Law presented the needy with an unpleasant choice: public aid and cash would be provided at subsistence level, but the cost was a social stigma, through the loss of personal liberty and citizenship rights, making the aided citizen a subcitizen, as well as a pauper (Heclo 1974:47). Such an approach constitutes, in the terms of this study, not a means of enabling citizens to help themselves, an 'inside-out' approach, but a 'top-down', disabling approach of dealing with citizens defined as a 'problem.' The State categorises the citizen as a problem, to which the State imposes a solution, generating, on the part of the citizen, not a feeling of belonging to a community, but of hatred towards the State and its agents.

It is not always easy to establish what working-class attitudes were, but Thane's argument is that, certainly before the Second World War, there were large, exclusively working-class organisations, such as the friendly societies, which had 5.6 million members in 1900, and the Trade Unions, with 1.2 million members. These organisations were run democratically by and for the better-off and regularly paid employed manual workers. The dominant, although not universal view at the time,

was that self-help was morally and socially preferable to redistributive provision by an increasingly powerful and intrusive State, as Hobhouse was arguing in 1911. On the other hand, there were those who wanted universal State provision on the grounds that many were needy, and only the State had the necessary resources to help. There were also those who opposed State intervention on the grounds that such intervention was an excuse for employers to shirk their responsibilities to provide regular work and decent wages. Thane noted that in this latter view, social reform was cheaper than decent wages and rights for workers, including the right to work, and it was preferable to campaign for Trade Union rights and a legal minimum wage. But what many workers wanted was to remove the conditions that created poverty, and allow every citizen a fair chance to earn a decent wage, and to be able to provide for their own future.

Thane considers it to be odd that the term 'progressive' came to be equated with support for State redistribution through the tax and benefit system, making the recipients of such redistribution dependent on the State, a patron-client relationship, rather than support for action targeted at improving labour market conditions, which would make such redistribution unnecessary. Thane's considerations have appeared in Chapter Two, and are an antecedent of that Chapter's argument that 'enabling' consists not of redistributing spending power through tax and benefits, but of action in the form of skills development and labour market reform to redistribute earning power.

To be sure, in the immediate pre-Great War period, Trade Unions and Trade Councils were devoting themselves to political activism, spending much of their time discussing, investigating and agitating about the need for more and better working-class housing, old age pensions, working-class education, which did not necessarily mean 'school', but rather adult education: the Workers Educational Association, founded in 1903, the nineteenth-century Mechanics Institutes, which turned into the Further Education Colleges, (see More 1980, Musgrave 1968), health care, school meals, Poor Law reform. Unions and Councils were against sweated labour, for railway nationalisation, cheap fares, municipalisation of gas, electricity and urban transport (Blunkett & Jackson 1987). They tried to get their members elected or co-opted on to local councils, Boards of Poor Law Guardians or Boards of Education. Thane's contention is that these were the actual steps through which working-class

people and their leaders endeavoured to take control over their own lives, and force their concerns on to the political agenda. There was a moral dimension of respectability to such behaviour. Trade Unions agreed on paying benefits to strikers, the unjustly dismissed, the redundant or the sick, but not to drunkards, wife-beaters or shirkers. Thane's view, which accords with that of Himmelfarb (1991), is that such values as hard work, sobriety, discipline, loyalty and respect for the sacrifices of fellow workers were considered essential to a successful worker's movement, and were therefore authentic working-class values.

Thus, it can be argued that the pre-1914 working classes preferred to aid the majority of respectable, hard-working people whose wages and conditions of life kept them deprived despite their best efforts, and to do this in such a way as to prevent dependence on the State. Thane's insights allow the link with the discourse of New Labour and the Enabling State to be made, not in the same language, but in the appeal to an older tradition, which implies that working-class people might not want 'redistribution' by means of benefits, but opportunities to support themselves and make such 'welfare' unnecessary – "achieving for those who toil mastery of their own lives " (Ernest Bevin, 1919, quoted by Williams 1952:81).

3.1 Support for the unemployed

In the life of the Nation, few ideas are more dangerous than good solutions to the wrong problems (Robert Reich, *The Work of Nations*)

This section will make use of the work mostly of Heclo (1974) to trace out how one example of welfare, Unemployment Benefit, actually came into existence, through the efforts of William Beveridge, and the problem that Beveridge set himself to solve, which was, in Senior's language, how to treat indigence, and extirpate mendicity, without, at the same time, attacking the self-respect of the worker and rendering the aided citizen a subcitizen as well as a pauper. Section 4 will discuss what Beveridge himself intended, in 'Full Employment in a Free Society', and will argue that what Beveridge perceived himself to be crafting was somewhat different to what Tom Marshall and Richard Titmuss have interpreted to be his intentions. This is important, as Marshall laid the foundations for modern citizenship thinking, and Titmuss laid the foundations for social policy as an academic discipline. This story

constitutes an antecedent of Welfare to Work, inasmuch as it introduces ideas of mutual reciprocal rights and duties on the part of both citizen and State.

Heclo began by discussing how unemployment, as a phenomenon, was viewed by the dominant classical Political Economy of the nineteenth century. According to this view, supply generates its own demand (Say's Law), and hence, there could be no such thing as insufficient demand or excessive production. There could, therefore, be no such thing as 'involuntary unemployment.' Unemployment must be caused by excessive wages, above equilibrium level. To the extent that classical Political Economy accepted the idea of a 'wages fund' (a finite amount of money set aside by each business for payment of wages), money spent on unemployment relief cannot be spent on investment, and the unemployed must 'price themselves back into jobs.' Moreover, in this theory, the trade cycle had not yet been discovered.

Heclo continued (1974:67) that orthodox economic theory undergirded traditional public policy conceptions of poverty and worklessness, namely that unemployment resulted from personal failings, not from the workings of the labour market - the *laissez faire* Old Liberalism described by Clarke, Cochrane and Smart (1987). From the point of view of political action, the Government could not, therefore, accept the responsibility to maintain full employment, even if it had known at that time how to do it; nor could employment be a legitimate object of Government policy. The idea that the level of employment could ever become an object of Government policy had to await Keynes and the General Theory (see Chapter Four). Heclo argued therefore (1974:68) that in this context, unemployment insurance could only be a palliative for a problem that was, essentially, unsolvable, but nevertheless, such a palliative proved a politically explosive strategic step on the way to a modern social policy.

However, economic theory and political practice need not be the same thing, and Heclo continued (1974:78) that the development of unemployment insurance as State policy was largely the work of Liberal reformers and civil servants reacting against a background of trade cycles and the fashion of German social insurance, which was initially to supplement, and eventually replace the efforts working men had always made for themselves through their Unions and Friendly Societies. The beginnings can be traced to July 1907 when William Beveridge observed that an unemployment scheme could be established and administered through a system of

public labour exchanges. Even then, Beveridge was reacting against a long tradition of reliance on private charity and local government provision of relief work (described vividly, at length, by Stedman Jones, 1971, and Himmelfarb, 1984, 1991). Beveridge began to search for alternatives, developed the idea of Labour Exchanges, interested the Fabian reformers, Sidney and Beatrice Webb, and correctly perceived the need to link unemployment insurance with the need to have some control over the labour market. Beveridge believed:

The State is forced into the costly and degrading harshness of the Poor Law simply because it has no control or supervision of the labour market.....it must rely always on the assumption that the applicant for relief could find work if he looked for it because it [the State] is never in the position to satisfy itself that there is no work for him. (Beveridge, quoted by Hecllo 1974:81).

Beveridge therefore believed that by making registration at an employment exchange, rather than acceptance of the workhouse and the disgrace of pauperism, the test of willingness to work, he had circumvented an essential dilemma of the Poor Law. It has been noted above, that after the Reform of 1834, the workhouse was not used by able-bodied men, only by women and children. It was the humiliation, disgrace and loss of civil rights that caused the working-class hatred of the Poor Law; the belief on the part of politicians and policy-makers that there was no alternative, and the attempts on the part of politicians to maintain a distinction between 'deserving' and 'undeserving' poor that vitiated attempts to reform the system. This was the dilemma that Beveridge set out to resolve.

After a trip to Germany in the summer of 1907, Beveridge realised how compulsory insurance contributions could, on the one hand, reduce costs and eliminate means tests, and on the other, serve as entitlement to benefit. This benefit could then be made available to all citizens as an entitlement, which would depend on registration at a Labour Exchange, rather than on a receipt of charity. At the same time, registration at the exchanges would validate true unemployment. Those who would not so register could be deemed to be 'not seeking work', and therefore, not entitled to benefits. The point of the system, which will be examined further in the next section about how Beveridge himself developed his own thinking during the Second

World War, is that the entitlement to benefit comes from having paid National Insurance contributions and registered at the Labour Exchange. This creates a reciprocal relationship between citizen and State: citizens contribute, and in return, the State contributes to the welfare of the citizen. This is an antecedent of New Labour's 'something for something' philosophy.

Through the Webbs, Beveridge was introduced to Winston Churchill, then President of the Board of Trade, through whose personal efforts both administrative resources and the Liberal Party were mobilised, and Beveridge's ideas turned into concrete policy. Beveridge was also introduced to David Lloyd George, then Chancellor of the Exchequer, who was himself passionately committed to a welfare programme, and to whose energy, political skills and radicalism the resulting agenda owed much (Grigg 1978). Indeed, Lloyd George took up the cause to the extent of ensuring that a national scheme of sickness benefit followed in 1911 (see Grigg, 1978, Ch 11.)

However, the debate on National Insurance, in addition to providing an antecedent of the Enabling approach, revealed divisions within the Labour Party which still reverberate, in the form of disputations by academic social policy experts who do not accept the labour market as an arm of the welfare state, and socialists who do not consider Welfare to Work as being 'social justice', nor to be radical egalitarian ('equality of outcome')

Trade Union MPs, and Ramsay MacDonald, supported Lloyd George, but Philip Snowden and Keir Hardie, along with Beatrice Webb, whose Minority Report on the Poor Law rejected the contributory principle, opposed National Insurance, arguing that workers should not have to contribute to the Insurance Fund, on the grounds that the poorest could not afford contributions (McLean 1975:148). Philip Snowden (future Chancellor) thought that Socialism was public ownership, redistributing already-existing wealth from the 'idle rich' to the 'poor', and deliberately preventing the retention of large fortunes in private hands (Snowden 1974:11). The rich should be taxed to provide social services for the poor, and the idea of regulating a mixed economy to eliminate unemployment and provide a rising standard of living for all workers appeared to Snowden as utterly fantastic (Cross 1966:83). Labour's answer to unemployment before 1914 was to introduce an annual Right to Work Bill (it was MacDonald's turn to do this in 1907) without understanding that to do this without

finding new markets for the goods that publicly employed formerly redundant workers would produce would result only in a disguised form of charity. Whether finding new markets for new products could be done better under public ownership than private might be an empirical question which neither Snowden, Hardie nor MacDonald investigated, but simply took for granted.

However, to MacDonald, the views of Hardie, Snowden and Webb were anathema (Marquand 1977:138 *et seq*). MacDonald's view was that the National Insurance proposals implied that the State accepted a responsibility to protect the worker against the accidents of life 'which smashed the road right away in front of him', and also that German Unions had overcome their own initial hostility and become the doughtiest defenders of NI. Furthermore, MacDonald considered that without some form of premium payment, in which both employee, employer and State all contributed, the whole scheme would degenerate into a "vicious national charity, which would adversely affect wages and would not help the Socialist spirit" (writing in *Socialist Review*, June 1911, quoted in Marquand, 1978:139.) Hardie and Snowden defied Party discipline to vote against the Bill, while MacDonald negotiated for improvements in the scheme, and achieved some victories. His view was that all should contribute, but those who could not should have their contributions paid by the State.

Had the Labour Left paid more attention to the work of Charles Booth, and his *Life and Labour in London* (1893), they might have taken a different view. Of course, they all knew that Booth proved that 30% of the working population of London was poor, but did not get from Booth why they were poor, nor that 70% were not poor. Booth divided the population of London into workers who were casually and irregularly employed, on low wages, being thus very poor. He identified those on intermittent earnings, also irregularly employed. There were those who were regularly employed but on low wages, inadequate to support a particular life-style, but who were "decent steady men, paying their way and bringing up their children respectably." And there were three classes of people in regular, decently paid work, fairly comfortable; this was in addition to the servant-keeping class. (, as noted at <http://booth.lse.ac.uk/static/a/4.html>, where Booth's notebooks, here quoted, are online.)

As noted by, for example, Stedman Jones (1971) and Himmelfarb (1991) the difficulties of the first class could have been the subject of measures to improve their human capital, so as to fit them for a wider range of work; an organised labour market, by means of the Labour Exchange (tied in by Churchill to National Insurance) for them to enter; and a wider range of work for them to do. These policies would have had implications for housing policy, education, transport and industrial policy, in addition to organising the labour market. The second group would have benefited from a National Minimum Wage, demanded at the time by some Trade Unions, but not introduced until 1998. The top groups, who comprised 70% of the working population, were in regular, better paid work, and neither needed nor wanted 'welfare,' but for decent, regular, well paid work to continue. The lowest groups were, according to Stedman Jones, sucked up into work by the First World War, which employed the entire nation's manpower, and much of its womanpower, which disproved the concept of an 'unemployable' class.

As Churchill (1973:257) put it, the Labour Exchanges would give labour, for the first time, a modernised labour market, organising existing employment, associating with this a system of unemployment insurance, covering initially some 2¼ million people in the most disorganised trades: housebuilding, construction, engineering, machine and tool-making, ship-building, vehicles and mill-sawing (1973:263), in which "the whole field of insurance is far more open to the poorest class of people than it was before" (Churchill 1973:313.)

Yet the Labour Left opposed this programme, and seemed to argue that because the poor could not afford to pay Insurance, none should have to pay anything at all. This may be because, as Dowse, editor of the 1974 edition of *Serfdom to Socialism*, pointed out, Socialists at the time had no political economy of wealth creation, but thought that Socialism was simply about distributing the wealth that Capitalism had already produced (Dowse, 1974), and that poverty and unemployment would disappear if the means of production were taken into public ownership. (See also Cross, 1966: 66,118,123). This is the debilitating statism of the Left, the antithesis of the Enabling concept. MacDonald's view was that if benefits came gratis from the State, with no obligation on the worker to contribute, that would make the worker dependent on the State for his welfare, not himself. This chimes in with the view of the Liberals, that each man's life was his own, to be managed by himself.

MacDonald could have added that the Left, by labelling all workers 'poor', would alienate all workers who did not see themselves as 'poor'; Snowden's view was shared by Aneurin Bevan, who opposed the contributory principle as late as 1943 on the grounds that the poor could not afford to pay (Campbell 1987:126). The opposite view was taken by Herbert Morrison, who argued that a Labour Party dependent on 'the poor' would not appeal to anyone but 'the poor', and needed the support of lower middle class people like himself to become a national party (Donoghue & Jones 2001:171-179).⁸ MacDonald did write in his diary in 1929 that:

To establish people in incomes which represent no effort to get or do work is the very antithesis of Socialism. The State as Lady Bountiful may be a fatal extension of Toryism, but it is not the beginning of Socialism (Quoted by Marquand, 1977:525.)

There is however, another aspect of this debate which needs to be considered. It could be that the real problem is not relief to the unemployed, which may turn out to be no more than State charity, but to break the hold of the orthodox political economy of the day, and find a way to act against unemployment itself.

Not that the Liberal Left was entirely without ideas between the Wars. In 1926, Ramsay MacDonald commissioned a team lead by the economist J.A. Hobson, to write a report on the possibility of introducing a National Minimum Wage. The result, on the possibility of a living wage, is an example of an alliance of New Liberal and Labour thinking about how to approach the problems Britain had post War, and why such thinking did not come to fruition. It did provide a series of antecedents of the Enabling State, eventually. The problems in the 1920s were of a maladjusted economy, inability to adjust to changing world conditions, inertia, complacency and unwillingness to abandon attitudes left over from a period of supremacy, against which the Labour Party was in revolt but without distinct economic or fiscal policies of its own. Hobson's committee recommended a system of family allowances, paid for by taxation, nationalisation of the Bank of England to secure state control of credit and monetary policy; bulk Government purchases of food and raw materials; but also, a National Minimum Wage, and an Industrial Commission to reorganise those

⁸ Peter Mandelson, writing the foreword to the 2001 edition of this biography of his grandfather, described Morrison's views as 'One Nation Socialism,' a term not used by Morrison, but attributed by Mandelson to Tony Blair

industries unable to pay such a wage: mining, for example. Hobson believed that the resources needed to finance higher wages would come, not from taxation, but from the increased production that higher wages would call forth, for higher wages would lead to higher consumption, which would force industry to produce more wealth and employ more labour. The living wage would solve the unemployment problem and raise working-class living standards to a tolerable level.

Some points worth expanding are these. On p13, they said "The successful working out of such a policy...presupposes the adoption by bankers and the Treasury of an enlightened credit policy. Its aim must be to abolish the trade cycle, or at least to limit it to harmless and barely perceptible oscillations." Control of credit, and stabilisation of the general price level would help to ensure that wage increases would not be swallowed up by price rises. In 1999, Gordon Brown, as seen in Chapter Two, proposed precisely to abolish at least Government-induced boom and bust. On p20, Hobson et al introduce the concept of 'life cycle poverty,' that which is caused by the phases of growing up, wealth in young manhood, experience of poverty while raising a family, affluence when children flee the nest, and poverty again in old age. Thus is introduced poverty not as one single problem, but as a series of problems, to be coped with by different measures at different times. One answer to family poverty would be a minimum wage, based on an income for a man and his wife, reinforced by a system of family allowances for children. This system is thus based firmly on the labour market; one must work in order to receive a living wage, and the assumption that all men, at least would participate in that market, to the point of including a fortnight's paid holiday and a guaranteed week. However, the Living Wage would not be imposed by the State, but the State would create the conditions under which the Trade Unions would be enabled to demand it with every prospect of success.

This scheme was never adopted by MacDonald for a number of reasons. One was that Hobson conceded that to try to introduce the whole scheme in one moment would be to dislocate the present economic system and result in a catastrophic upheaval. The left wing of the Independent Labour Party (ILP) became the scheme's most enthusiastic supporters precisely because destroying Capitalism was what they wanted to do, which entailed that MacDonald, who was a gradualist, was

never in a position to introduce Living Wage measures (Marquand 1977:452). The best became the enemy of the good.

The other obstacle was Philip Snowden, Shadow Chancellor in 1926 and Chancellor from 1929 to 1931, to whose Socialism the very idea of the degree of state planning involved was strictly irrelevant. To Snowden, the primary concern of Socialism was the fair distribution of wealth, not the creation of additional wealth (Cross, 1966:189.)

Furthermore, Hobson's plans required public expenditure, and Snowden again appeared as the obstacle:

It is no part of my job as Chancellor of the Exchequer, to put before the House of Commons proposals for the expenditure of public money. The function of the Chancellor, as I understand it, is to resist all demand for expenditure made by his colleagues, and, when he can no longer resist, to limit concessions to the barest point of acceptance (quoted by Cross, 1966:190)

Thus the obstacle to carrying out an Enabling policy, which could have been implemented in 1929 to 1931, and would have had the support of, for example, Ernest Bevin of the Transport and General Workers, and the Lloyd George Liberals, was not the Liberal Party, or the Conservative Party, but the left wing and leadership of the Labour Party, whose leading figures had never thought beyond public ownership of industry, and who had never, for example thought out how to rationalise the declining coal and ship-building industries, nor how to support the rising automobile industry. The Left wing of the Party wanted no part of an agenda whose aim was to manage Capitalism, rather than destroy it. It could be argued that these obstacles would remain in place at least until 1985, and possibly longer.

It could be argued that this Labour Party was itself one of the reasons why the pre-1914 Progressive/Social Organisation/Social Utility approach did not survive the Great War. The Labour Party, which before 1914 had had no agenda of its own, had not yet thought beyond the distribution of already-existing material wealth, nor had it developed a political economy of wealth creation, and thus was in no position intellectually, politically or organisationally to pursue a progressive, social organisation approach to the problems facing Britain between the Wars. Dowse

(1974: xiv) introducing the essays by Hardie, Snowden and MacDonald in *Serfdom to Socialism*, argued that those three in 1907, and it may be inferred that this was equally true in 1927, made no mention of actual techniques of rule, had not thought about whether there even could be a non-bureaucratic alternative to the market as a means of allocating goods. Socialists then were still thinking in terms of a system where the problem of production had already been solved, and distribution would be the only problem, and had neglected the problems of governing an actual society. They thus had no understanding or experience of the former progressive agenda, and did not realise this until they actually took power for the first time in 1923.

Lloyd George himself attributed the decline of the Liberal Party to the First World War, arguing that there were those such as himself, who viewed the War as a disagreeable necessity to defend liberty, but there were those, reared on the traditions of Cobden, Bright and Gladstone, who were revolted by the idea of war itself, and disliked and distrusted those who fought the war with all Britain's strength. Lloyd George believed himself to have been 'tainted with the leprosy of War' (Lloyd George 1938:445). He wrote:

War has always been fatal to Liberalism. "Peace, Retrenchment and Reform" have no meaning in War.....The temporary collapse of the Liberal Party in this country was inevitable from the moment it became responsible for the initiation and conduct of a great war....1914 was a catastrophe for Liberalism (Lloyd George 1938:448.)

Thus, the Liberal programme of 1906 was Beveridgian/Lloyd George Liberal, switching attention from relief to the unemployed to the prevention of unemployment, which was a result not of capitalism, but of a disorganised labour market. Unfortunately, the First World War ensured that the system was never completed (Stedman Jones 1971:334.) However, the fact that the War sucked up into work classes that had previously been considered 'unemployable' demonstrated that the casual poor were a social, not a biological construct, who were able to take and perform decent regular work when it became available, and show that the 'best form of welfare is work.'

The decline of the Liberal Party was by no means inevitable. The New, Progressive Liberalism of 1910 did have the support of the urban working classes, but decline

was caused in part by the splits engendered by War, and in part by the astute manner in which Ramsay MacDonald positioned the Labour Party as the only viable non-Conservative vote. Also, historians have neglected the term 'progressivism,' which flickered out and was forgotten after 1918. Nevertheless, 'progressivism' has connotations of social justice, state intervention and alliance with Labour which aptly describes the basis of Liberal policy after 1906, which 'Peace, Retrenchment, Reform' did not (Clarke 1971:397.)

Seen in this light, Beveridge's 1942 Report and 1944 book represent not the first stirrings of socialism, but the last endeavour of progressive Liberalism. The modern development of Beveridge's brainchild, the Employment Service will be considered in Chapter Five herein, but his attempt to solve a problem, in terms of a reciprocal relationship between citizen and State will be considered next.

4. BEVERIDGE AND AN ATTEMPT TO FILL A GAP

The aim of this section is to state and examine the views of William Beveridge himself, as expressed in his 1944 book, *Full Employment in a Free Society*. (Harris's 1997 biography bears out the account that follows.) This is needed because, as Heclo noted above, the development of social insurance in Britain is widely attributed to Beveridge. Therefore, in tracing the changing concepts of 'work', and in tracing the antecedents of the Enabling State, it is necessary to be clear about exactly what Beveridge was and was not proposing. Furthermore, as will become apparent in Chapters Four and Five, there are many similarities and parallels between the thinking of Beveridge and Gordon Brown, who was Chancellor of the Exchequer during the period of development and implementation of the Enabling State with its particular interpretation of the meaning of 'work' and employment. Also, the argument of this section is precisely that it was by means of bringing together his ideas on the existing social security system and labour market reform and the need for a universal system of National Insurance that Beveridge was a central figure in creating a link between employment and citizenship at the level of government discourse.

Beveridge's book was an attempt to tie social security to some kind of socio-economic labour market policy, without which social security itself might become no more than State charity. At the same time, Beveridge emphasised the term 'free

society' since the experience of two wars showed that it was not hard to maintain full employment during time of national emergency, if the citizens were prepared to accept severe limitations on civil liberties, in terms of direction of labour: the State would tell citizens where and when to work, and what work they should do.

Beveridge began his book by summarising his 1942 Report on Social Security, the aims of which included achieving freedom from want, for all citizens. He defined 'want' as 'lack of income to obtain the means of healthy subsistence – adequate food, shelter, clothing and fuel' (Beveridge 1944:17). It should be noted that he did not define want as 'lack of means of healthy subsistence', but 'lack of *income* to obtain the means.' Hence, his plan for social security was designed to achieve, by means of a comprehensive system of social insurance, that every citizen 'on condition of working while he can and contributing from his earnings, shall have an *income* [present Author's emphasis] sufficient for the healthy subsistence of himself and his family, an income to keep him above want, when, for any reason, he cannot work and earn' (1944:17). In other words, at this point, Beveridge is not using a discourse of rights, neither to a job, nor to the means of subsistence from the State on the basis of adult personhood: it is a discourse of entitlement to income maintenance during an interim period in which a man [*sic*] has fallen prey to one of life's major risks, unemployment, and the entitlement is based on having paid into a fund while able.

Beveridge's aim requires some comment here. Firstly, by means of the term 'he and his family', Beveridge commits himself to the traditional male breadwinner model of the family (Glennester 2004). Beveridge himself might personally have been prepared to accept the re-entry of women into the labour market, but in the climate of 1944, with the prospective end of war, and the return of millions of men from the Armed Services, may have found it expedient to accept that women had 'other duties.'

Secondly, the phrasing of Beveridge's offer is important. 'On condition of working while he can and contributing from his earnings, shall have income sufficient for healthy subsistence of himself and his family' in the case of and for the period of unemployment. It was not part of Beveridge's intention to offer 'something for nothing'. There is not, in this offer, any implication or statement of an unconditional

right to a basic income. Beveridge was not offering, or intending to offer, social security as a human or citizenship right, independently of duty. The right to receive income from the State depended on accepting the duty to work and pay National Insurance contributions while doing so.

In contrast to his 1942 Report, which was written for the Government, Beveridge wrote his book as a private individual, in the hope of influencing Post-War social policy. His intention (1944:17) was to attack what he considered a great social evil, idleness itself. Certainly, Beveridge said, (p17) his 1942 plans could not be afforded without full (adult male) employment, but he argued that full employment must be maintained for its own sake. Idleness is not the same as unemployment, nor is idleness the same as want. Idleness is itself a separate evil. To be sure, Beveridge accepted that the term 'full employment' did not mean that there would never be any unemployment at all: there would always be some unemployment, even if only the 'frictional' type, that which is caused by people moving from job to job, and the time gap caused by leaving one job before obtaining another one. What Beveridge meant by full employment was that unemployment would be only of short duration, with the certainty that those who have the misfortune to lose one job would soon be able to obtain another one. Beveridgean full employment is where there are always more vacancies than unemployed men, and that these jobs will all be at fair wages, and of such a type that unemployed men can reasonably be expected to take them (1944:18).

But for Beveridge, defeating idleness by means of full employment was a moral principle. He wrote:

Difficulty in selling labour has consequences of a different order of harmfulness from those associated with difficulty in buying labour. A person who has difficulty in buying labour that he wants suffers inconvenience or reduction in profits. A person who cannot sell his labour is in effect told he is of no use. The first difficulty causes annoyance or loss. The other is a personal catastrophe. Idleness, even on an income, corrupts; the feeling of not being wanted demoralises. (Beveridge 1944:19)

Beveridge continued (p20) that only if there is work for all is it reasonable to expect workpeople to co-operate in making full use of productive resources; there will be less resistance to change and progress if the demand for labour is strong. Where labour is cheap, it is too often 'wasted in brainless toil' (1944:20). The demand and supply of labour are related qualitatively as well as quantitatively. He makes this telling statement, 'Demand for labour must be adjusted to the kind of men available or the men must be capable of adjusting themselves to the demand' (p20). Here, there is an expectation of cooperation of the worker who has to 'adjust' himself, foreshadowing issues of training, re-training, lifelong learning and the vocabulary of 'employability.' Beveridge means that unemployment is a problem that must be attacked from both ends. Macro-economic policies alone will not ensure full employment, unless they are tied into micro-economic policies to ensure that workers have the skills and willingness to perform the work thus generated.

But Beveridge's idea that idleness is an evil stemmed from his belief that men must have the opportunity to render useful service, and to feel that they are so doing. Employment is, for Beveridge, wanted as a means to a higher standard of life, but it must be productive and progressive, and must leave to special efforts their due rewards. 'For men to have value and a sense of value, there must always be useful things waiting to be done, with money to pay for them to be done (1944:21).

Beveridge intended his book to change fundamentally the conditions of living and working in Britain, to make Britain a 'land of opportunity for all,' within a context of the rights and duties of free citizens. 'Work means doing what is wanted, not doing just what pleases one. All liberties carry responsibilities.' (1944:23) What he and Keynes had in common was that they were Liberals, not Socialists, and neither had any intention of creating any kind of 'command economy' (Skidelsky 1979:55).

However, and this shows why it was necessary to follow Heclo earlier, Beveridge also understood a matter of prime importance, the need to link social security to the labour market:

The correlative of the State's undertaking to ensure adequate benefit for unavoidable interruption of earnings, however long, is enforcement of the citizen's obligation to seek and accept all reasonable opportunities for work, to co-operate in measures designed to save him

from habituation to idleness...the administration of unemployment depends on the availability for work which is the function of the employment exchanges: payment of unemployment benefit and placing in employment must in practice take place at the same local offices (Quoted by Price, 2001:99)

Price claimed that Beveridge was in 1942-44 so absorbed in social security reform as to forget his earlier concern that the Exchange's labour market role could be damaged if they were associated too closely with the relief of distress, since his belief was that if the Labour Exchanges were associated with only poor people, then only poor people would use them, and poor people would receive only a poor service. It was always Beveridge's intention that all citizens would use the Labour Exchange.

It seems to be true that Beveridge did go much further than the orthodox political economy of his day allowed, and discussed theories of unemployment, and how such theories had changed since he himself first wrote on the subject in 1909, especially the changes wrought by J.M. Keynes. He wrote:

There is unemployment due to chronic or recurrent deficiency of demand. There is unemployment due to the degree to which the labour market remains unorganised and the manner in which particular industries respond to demand...the reduction of unemployment demands measures of three kinds to ensure sufficient demand for the products of industry; measures to direct demand with regard to the labour available; measures to organise the labour market and to assist the supply of labour to move in accord with demand (Beveridge 1944:109).

Here, Beveridge is asserting that there are certain measures which need to be taken if employment is to be kept high, which can only be taken by Government, and therefore, the State must take responsibility for the level of employment.

4.1 Beveridgean full employment policy and its implications

In Part Four of his book, Beveridge did sketch out the elements of Government policy which would be necessary to maintain full employment. Without going into

details, it is worth noting the salient points of his ideas, and the extent to which he thought, in the context of 1944, Government needed to be involved in setting national policy. His ideas are worth exploring, as he brought together the duty of the worker to work and the power of the State to make work possible, as a reciprocal relationship between Citizen and State. It is also possible to use Beveridge's ideas as a yardstick against which to measure his successors.

Beveridge's first element of a full employment policy was that total outlay (his term for the sum total of private and public spending) must be adequate to employ all the manpower in the economy. The passage of time and experience has made it clear that actually 'planning' an economy is not possible, if Beveridge had meant that, but what can be taken from his writing is the idea that what is needed is not a Chancellor of the Exchequer, but a Ministry of Finance concerned with employing all the labour available in the country (1944:136). This effort must be a priority:

To submit to unemployment or slums or want, to let children go hungry and the sick untended, for fear of increasing the internal debt, is to lose all sense of relative values (Beveridge 1944:148).

Beveridge thought in terms of whether a government can exercise some control over the location of industry. For example, he asked, is it sensible to allow firms to set up in the South East of England where there might be labour shortages, if they can be persuaded to open in the North West, if there were people available there to work, but no work for them to do? This idea involves what might now be called Regional Policy, and would involve combined work by BERR (The Department of Business, Enterprise and Regulatory Reform), DIUS (Department of Innovation, Universities and Skills), DWP (Department of Work and Pensions), Local Government etc.

Beveridge extended his ideas to organising the labour market, for he believed that he had identified a gap in the thinking of Keynes. Beveridge describes how he had seen in, for example, the docks, men hired for short engagements, with no commitment to a long term job, disorganised hawking of labour from firm to firm, and consequent insecurities leading organised labour to restrict entry to some kinds of work, usually, but not always, skilled work. (cf, for example how this operated in relation to apprenticeships, in More, 1980, Ch. 11). Beveridge considered how to make it easy for men and women to change jobs, even careers, by removing barriers

of all kinds to labour mobility, both geographically, and functionally. He wanted to optimise use of Labour Exchanges, in order to put an end to hawking and hoarding of labour (1944:172-173).

Beveridge added (1944:173) that it should be accepted as a general citizen duty that if there is a demand for labour at fair wages, men who have been unemployed for any length of time should be prepared to take that work. His view seems to have been that while no man should be subject to criminal sanctions for refusing to work, nor should he be assisted to be unreasonable by provision of public income, and re-training or relocation should be normal for those who had been unable to regain work in their normal field. This leads to policies to encourage flexible supply of labour, in addition to sufficiency of demand. (This idea has a modern counterpart in the Skills in England Report of Campbell et al, 2001). This line of thinking leads to questions of re-location allowance, constant re-training (lifelong learning), subsidies to workers changing jobs, possibly in line with the modern Swedish approach described by Esping Anderson (2000, 2002.)

Beveridge put forward, in 1944, ideas about how a Government could maintain full employment by making it possible for all men, at least, and by extension, women, to be able to find meaningful, decently paid work, at a time and place reasonable for them to work, assisted by the State. This would be a reciprocal relationship, in which citizen and State would assist each other. Citizens would therefore have both opportunity and duty to work, complemented by State assistance when they were unable to do so, which would include, as an essential feature of the system, assistance back into work, not payment to stay out of work. This dialectic of assistance was designed by Beveridge to be a comprehensive package of rights and duties, as part of the scheme of National Insurance. The argument has been that it was this scheme, some of which was put in place by Post War Governments, some not, that brought employment into the discourse and practice of Citizenship, and provided a precursor of the enabling state concept.

It was fundamental to Beveridge's thought that he was less interested in relieving poverty as such than in a restructuring of the labour market that would make relief of poverty unnecessary. He had in mind an 'ideal type' of worker-citizen whose needs would arise from temporary interruption of earnings, rather than poverty as such.

Having a stake in the labour market was, for Beveridge, just as normal as having a stake in property had been for General Ireton. He wished to legislate sweated labour, low wages and casual work out of existence; compulsory re-training and re-deployment were an essential part of his system. A controlled labour market to make full employment possible was necessary to ensure the financial viability of the social security system (Harris 1994:33). Can we go so far as to assert that if all adult citizens were permanently in regular, decent-paying work, we would have no need of 'welfare?'

Lowe, trying to explain why Beveridge was, as Lowe believed him to have been, ultimately rejected, argued that there were two broad philosophical concepts on which Beveridge could have based his vision of the future relationship between State and Citizen. On the one hand, there was the tradition of the 'free born Englishman' endowed with natural liberty, which ensured all citizens with certain rights which it was the duty of the State to ensure. On the other hand, the Continental tradition viewed the State as a living organism, the embodiment of shared values and identity, from which the citizen derived rights, but to which the citizen owed duties, and these two traditions are antithetical. The one assumed rights without obligations, the other does not. Beveridge attempted to borrow from both, and gained the full hearted consent of no section of society (Lowe 1994:129.)

However, it is possible here that Lowe overstates his own case. As has been noted in Chapter One, while it is true that the English Liberal Democratic tradition is not always comfortable with some ideas of compulsion, it can be said that it would not have occurred to New Liberals of Beveridge's generation, or to previous generations, such as T.H. Green, and L.T. Hobhouse, nor to the Christian Socialist, R.H. Tawney, that a citizen can have rights without obligations: to Pre-War Liberals and Socialists, rights and obligations go together. It is also noteworthy that Lowe, in his own (1999) history of the Welfare State not only, as has been noted above, ignores the Pre-Great War Liberals, but his own book treats 'employment' itself as a function of what was to him a Keynesian orthodoxy held by HM Treasury of 'demand management', the idea that the Government, by manipulating fiscal and monetary policy, can determine the level of employment, (an idea from which it will be part of Chapter Four herein to rescue Keynes); Lowe himself, in common with George and Wilding, 1985, Hewitt 1992, Mullard and Picker 1998, Fitzpatrick 2001, 2005, considers

neither the Employment Service, nor the then Ministry of Labour (the forerunner of the Department of Work and Pensions) to be part of the Welfare State, as Beveridge intended. In fact, in all these texts, 'welfare' itself does not include the labour market, and thus, in the terms of Beveridge, 'welfare' without the labour market becomes nothing more than State charity. Future developments in the field of welfare might thus depend on the rectification, or otherwise, of this omission.

Skidelsky (1999) has argued that there are different models of Welfare State. There is an Old Liberal model of a 'safety net', a standard below which no one would be allowed to fall, even if out of work, but without being tied to the labour market, this model is described by Skidelsky as 'state charity.' There is a Continental model of Social Insurance, the 'Bismarkian' one, which is a Protestant idea of virtuously putting money aside for a rainy day, compulsory if necessary, but it links contributions and benefits to earnings. This system also perpetuates the earnings hierarchy, and is suited to a hierarchical society. There is a model of the ideas of citizenship of Marshall and Beveridge, the idea that citizenship involves social rights, as well as political and legal ones (Marshall) and that social security involves all citizens, not just those at risk, and, pragmatically, needs to involve the middle classes, not just the poor (Beveridge). There is also a model, described by Skidelsky as New Liberalism of pre-1914 Britain. This involves the idea that all citizens should have an equal start in life, a chance to develop capacity. This comes close to modern human capital theory, and Skidelsky labels the idea "Enabling". But it has to be noted that Beveridge was himself a 'New Liberal'; he had been working on these ideas since 1907, so perhaps Skidelsky ought to have run the two models together. (Skidelsky also mentions a fifth model, the egalitarian idea of redistributive socialism which he does parody as meaning that all citizens have an equal right to bad services). Skidelsky argued that all welfare theories that have the reduction of poverty, rather than improvement of capacity as their aim become 'egalitarian', in a pejorative sense, since poverty can always be defined in relative terms.

Returning to the idea that Beveridge was ultimately rejected, as Lowe believes him to have been Post-War, Beinhocker (2007:420-421) quotes some recent research which can be taken to support the original aims of Beveridge. He notes how, from the 1930s to the 1960s in the United States, there was widespread support for Welfare, but that this support dropped throughout the 1970s to the 1990s. The

conventional wisdom of the political Left was racism, on the grounds that most welfare recipients were black, and also, the 'me' generation of the 1960s. The explanation of the Right was that people on welfare were lazy, welfare was ineffective, and taxpayers wanted their money back. On the one hand, lack of altruism, on the other, pure self-interest. Beinhocker believes both to have been wrong. He quotes a combination of surveys, experiments and focus groups, pursued by Fond, Bowles and Gintis, who found that the real reason for the lack of support for welfare systems lay precisely in the concept of reciprocity. When those receiving benefits were viewed as people who wanted jobs, but were for no fault of their own unable to get them, social norms supported the idea that such people deserve help. When the popular perception shifted to the idea that such people were lazy, not interested in work, and abusing the generosity of society, support for welfare dropped. In the latter popular perception, these ideas violate reciprocity norms, and warrant withdrawal of support and even punishment. Hence, skills support, incentives to accumulate savings, support for entrepreneurial activities, improving education opportunities stimulate norms of reciprocity. Insurance therefore, is popular, because the citizens pay in when they can, and draw out when they cannot. Welfare programmes that give support but require no action in return tend to be controversial and easily undermined. (The reciprocity argument has recently been advanced, philosophically by White 2003).

This research has recently been reinforced by the ideas of Horton and Gregory (2009) who argue that Beveridge, by linking welfare and work, enshrined a sense of reciprocity, putting something in to take something out. To separate entitlement from contribution is to make claimants takers, not contributors, which changes the relationship between taxpayers and benefit recipients, from reciprocity and risk pooling to transfers to others on a basis of need. Among the unfortunate effects of such separation is to separate citizens into 'us' and 'them' rather than 'we' (Horton and Gregory 2009:61).

This reciprocity can be defined, collectively, either in terms of productive contribution or 'welfare with strings attached', and is important for normative reasons of objectionable free riding; empirical paternalistic reasons associated with ideas of compulsion and conditionality as drivers of equal opportunities, including requirements on individuals to maintain contact with the labour market and

connection with work; and instrumental arguments in shaping public attitudes to welfare itself. Welfare systems that violate norms of reciprocity arouse public opposition, and can lead to welfare retrenchment or reactionary behavioural regulation, and senses of grievance on the part of those who perceive themselves to be paying out with no return. Reciprocity is therefore necessary to legitimise 'welfare' itself (Horton and Gregory 2009:179 -182).

Had Beveridge been more interested in relieving poverty as such, he might have chosen a different track. Certainly, his system was not uncontested, and Hill et al (1994) have argued that in order to encompass all the citizens, he set both contribution levels and benefit levels too low. This is an example of what happens when social policy is geared to 'the poor.' Piachaud and Webb (2004:31), investigating the poverty problem, point out that after Rowntree and Booth produced their surveys of urban poverty before the Great War, there was a long series of studies of poverty, covering London, Sheffield, Merseyside, Southampton, Plymouth and Bristol. Rowntree himself worked on subsequent studies of York in 1941 and 1950. This last study found that poverty itself had been virtually abolished, largely as a result of the welfare state, an apparent achievement of the Beveridge reforms. Rowntree's last work was the last of the old style local poverty surveys, to be replaced in the 1950s by the Family Expenditure Survey. However, Piachaud and Webb (2004:47) add that the 1960s and 1970s were a period of relative stability, with poverty estimates in single figures on the standard benefit scales, and less on a half mean income measure. For them poverty disappeared as an issue for a generation, to reappear in the 1980s, when poverty rates doubled, and stayed high. To the extent that the debate on poverty parallels the debate on unemployment and low wages as causes of poverty, this might explain also why unemployment as a political issue disappeared from the agenda between 1950 and the early 1980s (see also, Glennerster 2004:85).

However, Glennerster has also pointed out how the work of Peter Townsend has contributed to redefinitions of poverty, citizenship and what has come to be known as 'social exclusion.' Townsend's central point was that a level of adequacy of living cannot be determined by some expert calculation of dietary or health needs, as Rowntree had tried to do in 1899. Townsend's view is that social custom requires that citizens share cups of tea with neighbours, or buy presents for children at

Christmas, or even, occasionally, go to the pub for a pint or so of beer. This was recognised by Rowntree, but his ideas are an illustration of how ideas can come to take on a life of their own. To be income poor, in Townsend's terms, is to be excluded, by virtue of one's income, from these normal activities of social life. To the extent that the levels of social security laid down by Beveridge did not take account of these normal activities, (as it can be argued that they did not) then to that extent could a commitment to Beveridgean social policy be vulnerable to attack. What Townsend seems to mean here is that work puts into the hands of the worker income to be spent as the worker desires (Beveridge quoted in his 1944 book a woman who said to him "a pound goes further when you know your man has had to work for it"). Benefit puts into the hands of the worker money that is there because the technical expert thinks it ought to be there.

The question of poverty can, rather, be attacked historically. Green (1996:46-47) showed how the question of wages could become a proper concern of government, and not simply left to the market, as Old Liberals imagined. To Old Liberals, the free operation of economic forces was supposed to produce an optimum distribution of resources at full employment equilibrium. The 'Economy' was to them, a natural, self-sustaining equilibrium; social problems were individually generated, or extraordinary, and could be dealt with either on a case-by-case basis, or a peculiar situation might right itself, but was not a subject for State action. In this theoretical world, Beveridge's ideas of 1944 could be opposed on the ground that he would afford to the State much more power than could ever be justified. The idea that a society could be infected with systemic problems that could only be addressed by State action had not occurred to Old Liberals.

What challenged this orthodoxy was the discovery of poverty, and its cause in low wages, by the governing classes in the 1890s. In 1890, William Booth, the founder of the Salvation Army, in his book, 'In Darkest England and the Way Out' portrayed an England of un-Christian, semi-savage populations in need of spiritual and material help. Journalists such as G.R. Sims of the Pictorial World and W.T. Stread of the Pall Mall Gazette had sensationalised London's poor. Seebohm Rowntree and Charles Booth studied the problems of the urban poor 'scientifically' and determined 'objectively' that 30% of the populations of York and London were living

in poverty in 1893. So, the argument runs, by reading Rowntree and Booth, England's upper and middle classes 'discovered' the poor.

Green argued however, that the idea that poverty was 'discovered' in the 1880s and 1890s would be mistaken, but rather than having been 'discovered', poverty was 'invented.' After all, for thousands of years, most of the world's people had been poor, and there was no shame in it. People were many, the world's resources were few, and it was inevitable that most people should be poor. The Poor Law Guardians, the philanthropists, novelists and social investigators knew that a large proportion of the population lived in poverty. It was, Green claims, rather that this poverty, amidst plenty for some, came to be seen as a systemic problem caused by social circumstance, rather than by individual failings. By the 1890s, the term 'unemployment' was itself in common use, and although there was much disagreement over what caused it, there was general agreement that it was a social problem in terms of cause and effect, demanding a social solution. Similarly, such problems as security in old age, poor working conditions, ill health, insanitary housing were all increasingly seen as having structural roots and an impact on society in general. The idea that the economy could work in such a way as to result in such systemic deprivation for so many sectors of the population came as a severe blow to classical liberal economics and would be a dividing line between Old and New Liberals.

Green's argument continued that if the economy did not flourish in a natural, self-sustaining way, then there could be a debate about the proper role of the State, in which the classical political economy of the day could be challenged, as, for Beveridge, it needed to be. Governments of the 1880s did not wait. As early as 1885, the 'Chamberlain Circular' empowered local authorities to use public works to counter unemployment, and local authorities began programmes to introduce sewage, clean water, new housing, municipal electricity and gas over the thirty years before the Great War. (See Blunkett and Jackson, 1987, for an account of this type of activity.)

Moreover, Green's argument continued, the Third Reform Act of 1884 made working-class voters the majority. By the 1890s, the 'Social Question' was part of the stuff of politics. The condition of 'the People' was not only about the proper

realm of State activity, it was a matter of the survival of the State itself, and the ability of political actors to gain access to its powers, and, precisely, who constituted 'The People.' Thus there appears here another strand in the story of how employment entered into the discourse and practice of citizenship. The wages that the common man earned, and the conditions in which he earned and spent them, the consequences if those wages were inadequate, the consequences in politics, all became profoundly political questions. As Hobson put it, where the working classes form, as they did, the overwhelming majority of the electorate, their voice and their interests may be considered as the voice and interests of 'The People' in a country where majority rule is acknowledged. Much of this interest lies in the alteration or reversal of legal rights or other advantages secured by landowners, capitalists and other business classes formerly in control of the State (Hobson nd: 214).

These questions can be re-phrased in more abstract language, in terms of Doyle & Gough's Theory of Human Need. The wages of the working person impinge directly on their capacity to live a normal human life, more broadly conceived:

Unless people are capable of participating in some form of life without arbitrary and serious limitations being placed on them, their potential for private and public success will remain unfulfilled...by means of interaction with others, we build a self-conception of who we are through discovering what we can and cannot do, and achievement based on our participation in social life (Doyle and Gough 1991:50-52).

Thus, autonomy, agency, appears as to have the capacity to make informed choices about what to do and how to do it, to be able to formulate aims, to have beliefs about how to achieve them, to be able to evaluate success and failure, to be able to make mistakes. To be human, in this view, is to be able to initiate action. The capacity to formulate consistent aims and strategies in one's own interests, combined with the attempts to put into practice the activities in which one engages, make up the reasons why one can be morally responsible for one's actions. To enhance the capacity to do all this could be considered 'empowerment' or 'enablement.' It is this capacity for action that makes the distinction between 'being' a citizen, a person who has all the legal rights of citizenship but who does nothing, and 'acting' as a citizen,

doing citizen-like things, participating in action, even in advance of obtaining the legal right to act. Here, again, appears citizenship, less as legal rights, but as capacity to act as an autonomous being.

This argument could be developed in various ways. Bottomore (1963:189) developed an argument in terms of how inequalities of wealth, social rank, education or knowledge ought not to be so considerable as to result in the permanent subordination of some groups of people to others in any of the various spheres of social life, or to create great inequalities in the actual exercise of political rights. Joyce (1986) described how nineteenth-century working people sought opportunity to work, at decent wages and in decent conditions as a means of financial independence, so as not to be beholden to anyone. Joyce described in this context how what used to be called the 'politics of deference' was actually the 'politics of dependence', caused by the fact that often, the factory owner, the Justice of the Peace, the Lord Lieutenant of the County, all came from the same family, and not only employed the worker, but owned his house, and the school that educated his children, and the brewer who brewed the beer he drank, and the shop where he bought his food. Hence, it is possible to understand Beveridge's aims in terms of working people as free autonomous agents, earning their own livings. This tradition is of considerable age. The following is Disraeli, Leader of the Conservative Party, at the Manchester Free Trade Hall, in 1872:

It must be obvious to all who consider the multitude with a desire to improve and elevate it, that no important step can be gained unless you effect some reduction of their hours of labour and humanise their toil...the working classes of this country...are in possession of personal privilege...they have obtained...a great extension of their political rights...is it at all wonderful that they should wish to elevate and improve their condition, and is it unreasonable that they should ask the Legislature to assist them...as far as it is consistent with the general welfare of the realm? Why, the people of England would be idiots...if, with their experience and acuteness, they should not long ago have seen that the time had arrived when social, and not political improvement is the object which they ought to pursue. (Quoted in Evans and Taylor 1996:8).

The views of Disraeli constitute both another strand by which the concept of employment can enter the discourse and practice of citizenship, and also, an antecedent of the concept of 'enablement', the desire to elevate and improve one's condition, 'aspiration.' The transformation of society into one where the only access to the wealth of England lay through earning a wage brought into question the conditions under which that wage was to be earned, and the hours of toil, and legal status of the worker. At the time Disraeli spoke, the employment relationship was Master-Servant; by the time the Great War broke out, the Liberal Government had introduced legislation to change this to contractual Employer-Employee, which introduces in turn, the question of how imbalances of power between the two should be addressed, and even whether the employment relationship was a proper field for the operation of the Law, and the role of the State itself. Is the State to be a neutral referee between the parties to a dispute, or will the State take sides? Will the State ensure a 'level playing field', or tilt the balance one way or another (Crozier 1979).

The consequences of how the working man spent his wages should also be noted:

Between 1870 and 1900 the pattern of British working-class life which the writers, dramatists and TV producers of the 1950s thought of as 'traditional' came into being. It was not 'traditional' then but new....it was neither a very good, nor a very rich life, but it was probably the first kind of life since the Industrial Revolution which provided a firm lodging for the British working class within industrial society (Eric Hobsbawm, quoted by Purdy, 1988:73).

Purdy adds that between 1870 and 1896 meat consumption per head rose by one third, with the proportion of imported meat in total consumption trebling. New fruit, jam, and the banana, came to supplement or replace apples as the only fresh fruit eaten by the urban poor. Fish and chip shops were established. Food, clothing and footwear came to be purchased from new retailing outlets, particularly the Co-operative shops, and the rapidly growing multiple and chain stores, such as Sainsburys and Woolworths. Sewing machines and bicycles appeared as the first comparatively cheap consumer durables. The tram was developed as the first means of public transport specifically aimed at the working classes. Popular

entertainment and sport were transformed by the advent of the music hall and the rise of professional football as a national institution (Purdy 1988: 73).

Purdy added (1988:74) that also there was a great change in the relationship between men and women within the working classes at this time. As the Trade Unions achieved recognition and respectability, and were male-dominated, so women came to be ejected from the labour force or segregated into gender-stereotyped work in the name of protecting craft skills and a 'family wage', that is, enough to support a non-working wife and children, and for these arrangements to become new social norms.

These changes, moreover, open the way for people to judge an acceptable social standard of living not only in terms of past experiences of life, but in terms of experiences which they hoped to achieve in the future (Purdy 1988:78). This might be considered to be, to use a later phrase, 'The politics of aspiration,' not just enough to live on, but to have some to spare, to enjoy not just work, but leisure, to enjoy the new inventions that were to occur, such as the motor car, the washing machine, the television, to hope for a better life for one's children than one has had for oneself.

These were the changes that Tawney referred to in his seminal work *Equality* in 1931. He saw how access to good work, decent income, good health care, adequate housing, fine education were, in his day, restricted to a privileged minority, not shared by the vast majority of English citizens, and he defined 'equality' in terms of right of all classes to share in the wealth of England. (The second edition of Tawney's book was published against the backdrop of the Great Depression of the 1930s.) It was, arguably, a similar set of rights to which T.H. Marshall referred as 'social rights' fought for over the course of the twentieth century, in his 1950 lectures.

The transformation in the status of the worker has been aptly summarised by Arendt (1958: 215-217). The chief difference between the modern worker and the feudal one was not that the modern labourer had personal freedom while the feudal worker did not. Rather, it was that the modern worker (or at least the male one) was admitted to the political realm as a citizen, and the turning point was the abolition of the property qualification for the vote. The contrast is that when the slave ceased to be a slave, perhaps by accumulating enough money to buy his freedom, he ceased

to be a labourer, and therefore, slavery remained the social condition for labouring, the modern emancipation of labour was intended (at least by those who laboured) to elevate the condition of labouring itself. So political participation was no longer restricted to the propertied and privileged, and the emancipation of labour, as such, allowed the worker to appear as the 'Worker' as an autonomous being, in the public realm.

5. CONCLUSIONS

This chapter has investigated the antecedents of the Enabling State, and, in the process demonstrated how work, employment was brought into the discourse of citizenship over a period of time. The duty of the Englishman or woman to work, or to be able to access sufficient wealth so as not to need to work, lies as far back as the fourteenth century, in legislation passed in the wake of the Black Death and the end of serfdom in England. The public discourse of worklessness has been traced through the Poor Laws of 1601 and 1834. This discourse originated in concepts of indigence, a term describing those who could not work, or who could work, but could not earn enough to maintain themselves. Indigence will be relieved at public expense as a right, not charity. Mendicity, begging, a refusal to work will be punished. Senior defined 'poverty' as having to work. The 1834 Poor Law was hated by working people as entrance into the workhouse deprived the citizen of civil rights, and turned the citizen into a subcitizen as well as a pauper. At the same time, the labour market developed, and access to other forms of income was curtailed by enclosure, poaching laws, etc, and women and children were forced out of the labour market, so that only the wage of a man in secure employment could provide access to the necessities of life, the wealth of England. The 'social question' resolved itself into the problem that large numbers of Englishmen could not earn enough money to buy the wealth of commodities that England could produce. This was what Rowntree and Booth described as 'poverty.' Yet, electoral reform had enfranchised householders, the better off members of the working-class, and made this class a majority of voters. Hence, the condition of the labouring classes became a profoundly political question: the work that people did, the conditions under which they did it, the rewards they received for doing it, what they were able to do with the wages they received.

Beveridgean social reform set out to resolve the dilemma posed by the Poor Law Amendment Act, by making willingness to register at the labour exchange the test of worklessness, rather than entry into the workhouse. It was never the aim of Liberal social reformers that the State should feed, clothe and house its citizens, but that it had a responsibility to create conditions where citizens could maintain themselves and their families. After World War Two, this agenda included concepts of training, help into work, 'employability', duty of citizens to help themselves in a reciprocal relationship with the State: the concepts of 'entitlements', not 'rights.' This agenda was not continued after 1914 because of the breakup of the Liberal Party, and its replacement by a Labour Party which had no political economy of wealth creation. However, after 1944, politicians themselves broke free of traditional political economy, thanks to the work of Keynes and Beveridge, and accepted that the level of employment, high and stable levels of employment, were a legitimate concern of Government policy, and could be maintained over periods of time. Hence employment could lead to the worker-citizen being able to maintain him/herself in such a manner as to be able to appear without shame in public, and participate in a life-style commensurate with that of their fellow-citizens. Inability to do this is Townsend's concept of 'poverty.' McIvor has defined in the context of this chapter a new, non-Marxist theory of the state, involving notions of the state as exemplar, law enforcer, rule-maker, and using its position as the largest employer in the country.

Intellectuals such as Green, Hobhouse, Tawney and Marshall had conceived citizenship itself in various forms, involving variously ideas that all citizens, equally, were entitled to share in the wealth of England, though all would not share equally in that wealth, and that citizenship itself involved concepts of social rights, such as to have been educated, to go with civil and political rights already established.

Yet, Section Three of this chapter has entered a caveat into these arguments. It may be thought that the process of social reform that took place in nearly all industrialised countries over the period 1890 to 1914 represented pressure from an organised working class and its political party, or, from another point of view, a capitalist conspiracy. Yet Thane has argued that there is evidence that working people did not want such help from a State of which their experience was of an organisation that made rules for them that it did not make for anyone else; a State which they had little reason to love, and every reason, by reason of the Poor Laws,

to hate. What working people wanted seems to have been, in Thane's view, to be allowed to work, at wages sufficient to maintain themselves and their families in what they regarded as a reasonable sort of life, which, by 1900 the better off members of the working classes were achieving. Such people were happy to support themselves, as they had always done through their own organisations, the Co-operative movement, Friendly Societies, Trade Unions. These workers were developing 'aspirations', to hope that their children would enjoy a better life than they had. The caveat entered by reference to the work of Heclo was that the nascent welfare state did not come about because of working-class pressure, but because of the desires of administrators, politicians and policy-makers – a solution walking round looking for a problem.

Nevertheless, this combination of social reform and working-class desires and aspirations and readiness for self-help constitutes a tradition, a set of roots to which New Labour in the 1990s and later, can, and it was argued in Chapter Two, has appealed.

CHAPTER FOUR: WELFARE TO ? A DISABLING STATE?

1. INTRODUCTION

Thus far, this study has elaborated a conception of an Enabling State, in which a key component is Welfare to Work, the idea that the best form of welfare is work, and that the duty of the State therefore includes a duty to ensure that all citizens are able to enter and stay in decent, regular, well-paid work. This study has also traced the antecedents of Enabling in the Social Organisation, or Social Utility or Progressive politics of the pre-Great War New Liberals. It has been noted that the full progressive programme did not survive that War, for various reasons. The programme can be said to have been resuscitated by Beveridge in the form of the 1942 Report on Social Security and more elaborately, in *Full Employment in a Free Society*.

This study has argued, at some length, two points. Firstly, Beveridge's reforms were not designed as 'something for nothing.' They were designed as 'something for something.' On condition of contributing when he can, a citizen is entitled to the aid of the state when he needs it during periods of sickness or unemployment. The right to the aid of the State is not a right dependent solely on human personhood, but an entitlement: one draws out to the extent that one has put in when able. Secondly, Beveridge understood that his welfare state is based upon full (adult male) employment. This was for two reasons: firstly, that in the context of 1944, it was by no means certain that the welfare state was affordable under conditions of mass unemployment; secondly, that Beveridge wished to attack Idleness, as an evil in itself. Man must have opportunity to render useful service to his fellow men. This opportunity to render useful service also enabled all citizens (or at least all male ones) to share in the wealth of England, which was theorised as the essence of citizenship itself by, for example R.H. Tawney and T.H. Marshall. It is possible that Marshall's 1950 lectures were seen at the time as the 'last word' on the citizenship issue. Beveridge's point was also, in line with what is known of working-class beliefs, that, if all adult citizens were in decently paying, regular work, we would have no need of 'welfare.'

The problem in this Chapter therefore, is to examine what the State can do to ensure that all its citizens have opportunity to engage in paid employment, to share in the wealth of England, and to render useful service to the society in which they live. We shall argue that, to the extent that the Conservative Governments of 1979 to 1997 abandoned the commitment to full employment, they ensured that some classes of citizen were excluded from this citizenship, and the result was a regressive, Disabling State; one in which many citizens were disabled from sharing in the wealth of England, condemned to idleness, and denied opportunity to perform useful service.

In what follows, this study will describe, in general terms, what happened to 'welfare' in England in the post war years. Then, taking the unemployment of the 1980s as given, to examine what policies a Government devoted to an Enabling concept of government might have done. This entails an examination of Active Labour Market Policies (ALMPs), a theoretical enterprise. The study will then examine the results of Conservative Government after 1979. It is not of course possible to describe in full either the complete history of England post war, nor the complete Conservative record over a full eighteen years. Rather, the intention is to come down to the level of individuals and policies, and present a series of discrete case studies of Thatcherite Conservatism in action, over a range of policies, and to demonstrate their 'disabling' nature. This Chapter will also examine some Conservative rhetoric in order to examine what the Conservatives perceived themselves to have done, with a desire to examine whether they themselves understood the nature of their own enterprise. Discourse analysis will not be given the same prominence methodologically in this chapter as it was in Chapter Two of this study, because the problem is different. There, it was necessary to conceptualise the Enabling state by using language that Labour Ministers were themselves using. But the Conservatives did not describe their own enterprise as 'disabling' or 'regressive', and so it is necessary to pay attention to what they actually did, the effects of their policies, rather than the rhetoric in which they clothed them.

2. THE POST WAR CONSENSUS AND ITS BREAKDOWN

The 1950s and 1960s were a period of unprecedented increase of wealth for the mass of the people. Unemployment between 1951 and 1964 was never above 2.5%

(Tiratsoo and Tomlinson 1998:22). Real wages rose and consumer goods, such as washing machines, refrigerators, vacuum cleaners, telephones and motor cars came within the purchasing power of the masses. Domestic service vanished as a major area of employment. There came into being what Galbraith called 'The Affluent Society', a concept with which some on the Left, for example, Aneurin Bevan, were uncomfortable, as shown in his reference to the Affluent Society as 'vulgar and meretricious' (Rosen 2005:217), while some, for example Anthony Crosland, looked forward to an age of peace and plenty. In 1959, Prime Minister Harold Macmillan fought, and won a General Election on the theme of 'most of our people have never had it so good' (Sandbrook 2005).

Poverty was something that seemed to have vanished. The last of the great poverty surveys, carried out by Seebohm Rowntree himself in 1951 found that poverty, defined in Rowntree's own terms of near destitution, seemed to have vanished. Rowntree estimated that in York in 1899, 15.5% of the population were, by his standards 'poor.' Applying the same measure, in 1936, 6.8% were 'poor' (Gazeley & Newell 2009). Gazeley and Newell, in this paper, estimated the poverty rate of 21.7% among working households in the United Kingdom in 1904, and that this rate had, by 1937-8, fallen to 3.6%. In other words, poverty among those in work declined due to real wage growth and changes in family size. This is not to say that poverty itself disappeared altogether, but it does suggest that poverty became a problem that affected the old, the sick and the unemployed, rather than those in regular, decent paying work.

The welfare problem of the 1950s was a problem, in part of industrial efficiency, involving policies on competition, education and training, investment, research and development. The Conservatives shrank from reforms they could have carried out, through combinations of indolence, vested interests, ideological dilemmas and conflicting strategic objectives, in addition to degrees of complacency, smugness and willingness to carry on in old ways (Tiratsoo and Tomlinson 1998). Although the masses were becoming affluent, (for an extended discussion of 'affluence' and the connection between consumption and production on a pan-European scale, see Judt 2007, Ch 10) there was a growing sense of relative economic decline in the face of competition from, for example, France and Germany, which pervaded public discussion of economic policy and performance. Within this context, Conservatives

discussed education and training in terms of 'welfare' provision to be allowed to expand only when economic circumstances permitted, rather than in terms of human capital (Tiratsoo and Tomlinson 1998). Tiratsoo and Tomlinson also note (1998:151) an important theme of welfare, that central to the political and policy assumptions of the era was the boost to confidence and expectations brought about by the commitment to full employment. This confidence means that people will not go out and consume unless they are confident about the future. Lacking this confidence, people will not consume, and therefore, home industries will lack a market.

These issues of efficiency, productivity, welfare and unemployment were the ones set as his agenda by Harold Wilson throughout the 1960s. To Wilson, poverty was a phenomenon of 'shameful pockets which disfigure our society'; unemployment was largely a regional problem affecting mainly certain parts of the country – Liverpool, the North West, Scotland, Wales (Wilson 1964:73). This was not a systemic problem as it had been in the 1930s. Wilson's response was pure Beveridge (of 1944, not 1942): a national economic policy to maintain high production and employment; machinery to channel work to affected areas; industrial and social regeneration of blighted areas, regional policies, industrial purpose, not financial purpose. It may be that Wilson over-estimated what could be achieved by planning, and was over-optimistic. He knew what he wanted to do: to broaden the base of the economy with a programme of capital investment and to train skilled manpower, but his difficulty might be how far government itself can achieve these things.

To Wilson, poverty was a phenomenon of specific groups who needed help and had not got it: the elderly, long term sick and disabled, who were entitled to rights, rather than, as he accused the Conservatives, of being provided with 'donations.'

The extent of the Post-War consensus can be demonstrated by the fact that in his speech at Preston in 1974, which is supposed to be seminal in the development of 1980s Conservatism, the 'New Right', Sir Keith Joseph did not dissent from much of Wilson's agenda. Joseph also was, at that time, committed to growth and full employment (the term occurs several times in the speech), and expanding social services (Joseph 1974). He too saw unemployment as a regional problem with regional solutions. He argued that the umbrella term 'unemployment' masked a wide variety of types, and distinguished frictional unemployment, 'difficult to place', low

earners, 'hard core unemployable', compulsory retired, fraudulent, and involuntary, who tended to be low-skilled, semi-skilled, older than average in less prosperous areas. Joseph agreed in this speech that the unemployment problem had to be dealt with by means of regional policies, training and re-training schemes. Where Joseph differed from Labour Party policy, and previous Conservative policies was his understanding that such problems could not be tackled by means of so-called 'Keynesian demand management.' His argument was (and this will be shown in the next section of this study) that such 'demand' could not be manipulated to provide work for the unemployment caused, as it was, by regional or skill problems, but would inevitably feed through into inflation. It was thus that this inflation came to be defined as the lead problem to be tackled by a future Conservative Government, and the so-called 'Battle Against Inflation' came to be the defining characteristic of the Conservative era of the 1980s, at least, and the fear of the 1990s. It has to be remembered also that Joseph was speaking during a period of permanent crisis: globalisation, world competition, oil, the Yom Kippur War, a period, moreover, when the Labour Government itself abandoned this so-called 'Keynesian' demand management, in 1976.

This consensus itself broke down only in the late 1970s, as Conservatives so prioritised the fight against inflation that they abandoned the goal of full employment itself. How far this abandonment was chosen or forced is not the business of this particular study, nor is the nature of 'Thatcherism' as such; this chapter is concerned to conceptualise the Disabling State. It must be borne in mind, however, that the victories of Thatcher, both in 1979 and 1983 were far from inevitable.

At this point, it is worth examining how the consensus broke down on the Left, bearing in mind that the Enabling State is, we argue, a Left idea. (How the consensus broke down on the Right is to be examined briefly later.) Denis Healey, serving Chancellor in the 1974-9 Labour Ministry, was of the opinion that had the Cabinet settled for a pay formula of 'single figures' rather than 5%, they would have achieved lower pay settlements, avoided the 'Winter of Discontent', and probably won the resulting General Election. He blamed the defeats of 1979 and 1983 partly on small left wing groupuscules, and partly on Tony Benn, who, he said, had a 'total incapacity to understand the march of history' and came close to destroying the

Labour Party as a force in the twentieth century. Healey's views are worth considering in some length. He wrote of

A reaction throughout the developed world against the permissive sixties...ordinary people longed for a return to order, to the family values which used to provide a moral framework for individual behaviour. They were not prepared to believe patriotism was evil, that all authority was bad, that every leader was bound to betray his cause, that the pursuit of excellence was what the New Left regarded as the worst of all possible vices – 'elitism.' There was a widespread desire to reduce the role of the government in economic and social affairs. There was a longing to make people more self-reliant, and less dependent on state assistance which was granted unconditionally to anyone in need. Too many people were seen as 'scrounging' on the welfare state. (Healey 1989:486)

Healey believed that it was not Thatcher who won three Elections, it was her opponents, Callaghan, Foot and Kinnock who lost them.

Another view of the disaster which befell the Labour Party is that of Blair's future poll advisor, Philip Gould, who described ordinary Labour voters: people who worked hard to improve their homes and their lives, to gradually get better cars, washing machines and televisions, to holiday in Spain rather than Bournemouth. But, Gould argued, (1998:3) the Labour Party became a party enslaved by dogma; it supported unilateral disarmament, immediate withdrawal from the EEC, nationalisation of the 25 largest companies, marginal tax rates of 93%. It abandoned the centre ground of British politics and camped out on the margins, forlorn and useless, offering a miasma of extremism, dogmatism, intolerance and wilful elitism which put the hopes and dreams of ordinary people last. The old working class was becoming a new middle class, aspiring, consuming, choosing what was best for themselves and their families.

Gould described how he heard with horror Tony Benn at the 1980 Party Conference, 'the authentic voice of a party trapped by its past':

I believe that we shall require three major pieces of legislation within the first month of the election of another Labour government, and I will tell Conference what I believe those pieces of legislation are. First, an Industry bill, which will give powers to extend public ownership as requested by the GMWU (National Union of General and Municipal Workers), to control capital movements as requested by the GMWU, to provide for industrial democracy as had been suggested and demanded by the GMWU, and that Industry Bill must be on the statute book within a matter of days after the election of a Labour government. (quoted by Gould 1998:23)

All over the world, both Healey and Gould argued, progressive parties were facing comparable demographic challenges, but only the British Labour Party lost support over such an extended period of time. The stubborn refusal to modernise was unique to the British Labour Party, buried deep in its character, its ethos, implicit even in its founding moments (see, for example, in this study, Chapter Three, the conflict between Philip Snowden and Ramsay MacDonald concerning National Insurance.)

On the intellectual front, King (1999), discussing the social rights of citizenship, the 1945-1975 'classic' (Rodney Lowe's term) Welfare State and the influence of T.H. Marshall and the founding Father of social policy as an academic discipline, Richard Titmuss, and the social rights of citizenship, notes an absence of theoretical reflection and an uncritical adherence to Marshallian assumptions. The uncritical embrace of the social rights argument as the basis for the political relationship between citizen and State has proved damaging intellectually (and politically) since its theorists de-emphasised, and even ignored the responsibilities and obligations of citizenship. The result was a complacency in a particular form of State-based social policy (King 1999.)

The political result was that working people, who had to pay their taxes, objected to paying people to do nothing, and the espousal of pseudo-Marshallian and Titmussian views by certain sections of the political Left took the Left far away from mainstream public opinion, which was the argument of Healey and Gould. It has to be added however, in the light of this study, how odd it is that King attributes the

resuscitation of notions of obligation and duty to the Conservatives, with the invention of Restart in the 1980s, and does not seem to realise how deep in Labour history notions of the intertwining of rights and duty lie (see Chapter Three of this study.)

Having observed the political context of welfare debates in the 1970s, this Chapter will now proceed to examine how the State could have fulfilled its obligations to its citizens in the field of work.

3. ALTERNATIVE LABOUR MARKET POLICIES

Given the problem of high unemployment throughout the 1980s, the question is, what alternatives were available? This section will consider alternative treatments, which the Conservatives could have adopted but did not, in the light of the diagnoses prevailing at the time.

Action taken by Governments in the field of unemployment will depend partly on politics, whether the government of the day sees unemployment as a major problem, especially if it does so from the point of view that, as Chapter Three argued, citizenship lies in the area of capacity and competence of the citizens to access the wealth of the society in which they live, and it is assumed that, as this access depends on employment, those without employment are unable so to access this wealth. Also, it is a matter of whether unemployment is seen as frictional, cyclical or structural (Geluck, 1981). By 'cyclical' unemployment is meant that which stems from the normal operation of the business cycle, which may not be the subject of major government action; by 'frictional' unemployment is meant that which consists of people leaving a job and taking a few weeks to find another: again, this may not be a subject of specific action; 'structural' unemployment means a mismatch between the jobs on offer and the ability of workers to perform them. This can be difficult to decipher: does a level of unemployment represent high turnover of labour or a large stock of unemployed workers? Geluck (1981:46) raises two questions: firstly, if unemployment is structural, it can happen that there are plenty of vacancies, but those without work are unable to fill them, for various reasons; secondly, do policy-makers simply accept the production structure as 'given' and try to adapt the workforce to it, or do they accept the workforce as given, and adapt the work to be

done to the workforce? The first approach might be considered 'Taylorite', the second 'Fordist.'

Andersen and Halvorsen (2002) describe the 'standard' explanation that was current in Europe during the 1990s. Mass unemployment was, in this standard explanation, caused by twin forces of globalisation and technological change, in the face of which European welfare states had become counter-productive, 'eurosclerotic.' This was the dominant paradigm, used by the OECD Jobs Study of 1994, according to which efforts to combat unemployment are doomed to failure, unless certain structural reforms were undertaken, resulting in the following typology:

A typology of (un) employment policies (with examples)

Stimulate domestic demand	1. demand strategy a. stimulate aggregate demand b. increase public sector employment
Competitiveness	2. competitiveness/export strategy a. currency devaluation b. wage moderation (corporatism, incomes policy) c. lower corporate taxes/social contributions/higher subsidies
Redistribution of labour	3. reduction/redistribution of labour supply a. early exit programmes b. leave programmes c. increasing inflow into education d. shorter working hours/longer holidays
Structural strategies	4. activation/qualification strategy a. education/job training 5. market/incentive strategy a. lower de facto minimum wages (can be compensated by in-work benefits/tax credits) b. Stronger work incentives: less generous social protection (lower benefits, shorter duration, tighter eligibility) c. stronger work incentives: lower income taxes d. more flexible employment protection e. more flexible working hours 6. subsidy/service strategy a. subsidies to household services, lower VAT. 7. stricter controls/higher requirement a. stricter works test and mobility requirements b. workfare: duty to work in return for benefits

Table 1: Source Andersen and Halvorsen 2002

The strategies tabled above can all be, according to Andersen and Halvorsen, categorised as ‘politics versus markets’ solutions, in which markets are seen as the solution, politics the problem. 1970s views had all assumed that if only economic growth were high enough, and demand for labour increased accordingly, unemployment would gradually disappear. In the 1990s, it was no longer thought that this would happen because unemployment was structural, rather than cyclical, a product of inflexible markets and welfare states. According to the 1990s paradigm, high growth would only reduce unemployment down to the ‘threshold’ of structural unemployment. Beyond that point, employers would not hire low-productivity unemployed workers; they would only hire, compete for, and bid up the wages of those already employed. Hence, structural unemployment came to be defined as the lowest level of unemployment that was compatible with a stable development of prices or wages, which came to be defined as the Non Accelerating Inflation Rate of Unemployment (NAIRU).

NAIRU came to be estimated on the basis of econometric analyses of the relationship between unemployment and inflation. Accordingly, there is not only a mismatch between productivity and minimum wages, but also a mismatch between supply and demand of specific types of qualification. Hence, the most important source of unemployment came to be seen as a combination of low productivity and high reservation wages.

There thus existed a structural problem, rooted in inflexible and disincentivising rules of labour markets, compressed wage structures (high minimum wages) and generous welfare states, to which the answer was deregulation, improved incentives and wage flexibility creating more service jobs for low-skilled workers, summarised in the following table:

The “standard interpretation” of structural unemployment: problem definitions and possible solutions	
Problem	Solution
1. gap between wages and productivity for low-skilled workers	More wage flexibility and less compressed wage structures/lower reservation wages Presuppose less generous social protection Inequality may be alleviated by tax compensation Higher productivity Activation of unemployed Education/qualification Subsidies low-productive services

2. inflexibility and distortions to smooth functioning of markets	More flexible employment protection More flexible working hours Avoid disincentives/distortions of tax/welfare system Stricter work test/workfare
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Table 2: Source Andersen and Halvorsen 2002

According to Andersen and Halvorsen, the core problem became the gap between wages and productivity for low-skilled workers, to which there might be three solutions: firstly, wage flexibility, lower wages, less compressed wage structures, less generous social protection to secure lower reservation wages among the unemployed; secondly, higher qualifications to upskill the labour force; or, thirdly, reduction in the costs of low-productive labour, in the form of subsidies, lower VAT, reduced wage costs of service jobs.

Much of this diagnosis, seemingly given credibility by comparison with the US, was accepted even by supporters of the welfare state. The paradigm leads to a new conception of social rights and citizenship, in which rights became no longer a means to alleviate the social consequences of labour market problems, but a necessary evil. The only path to full citizenship lay through active employment and self-reliance.

The measures tabled above can be categorised as 'active' and 'passive' policies (Loveridge & Mok 1981, Schmid et al 1992, De Vroom & Naschold 1994, Dymski 1997, Pierre 1999, , Van Berkel & Moller 2002, Ehrel & Zajdela 2004.) There are various ways to distinguish 'active' from 'passive' policies, but the basic distinction is between ways to bring people into the labour market and ways to keep them out. Pierre, (1999) typologises as 'active': labour market training, to equip people for the jobs that are available to be done, direct job creation, and job brokerage, to improve the match between jobs and workers. Active labour market policy can be defined as a means of intervention in the labour market that is 'the autonomous, active and conscious behaviour of the public authority designed to influence the division of labour with a view to greater efficiency.' (Loveridge and Mok 1981:22) Such intervention can take the form of attempts to modify the skills available on the labour market; to change the wage structure with a view to preserving norms, values and objectives peculiar to a national structure. An 'active' policy might be directed to supply as well as demand. Available instruments might include employment

agencies, training systems, social security and benefit systems, minimum wages systems, direct job creation. What all measures have in common is the use of political power in the form of social supervision and re-allocation of resources (Loveridge and Mok 1981:24).

Active labour market policies might also include administration and public service employment, youth measures, job creation/subsidisation, measures to place disadvantaged groups, such as the disabled and long term unemployed (Grubb 1981, 1994). Grubb characterises passive measures as early retirement, longer vacations, shorter hours, higher benefits. Active aims can include measures to affect the behaviour of labour market actors – job search behaviour of the unemployed, hiring practices of firms, the mobility, geographical or jobwise, of the unemployed, wage negotiations, the employment policies of Government itself.

'Passive' policies, on the other hand, can be described in terms of providing people with financial resources, without intervening directly in their participation in any type of activity. The language used can be of protection, compensation, indemnification, including people in consumption. 'Active' policies deal with participation, which will be rewarded with income. The two sides are related, but not dichotomous (Van Berkel & Moller 2002:49) who typologise their approach thus:

Activation approach	Main systems of inclusion and concept of full citizenship	Emancipation mechanism	Role of passive policies
Welfare independence optimists	Labour market (marketised) and family(familialised)	Market and family: welfare state absent	Disincentive: should be abolished
Paternalism optimists	Labour market: labour market participation and independence of social security	Paternalistic: supporting those who follow prescribed inclusion roads and discouraging/enforcing the "unwilling"	Income provision is conditional upon efforts to realise inclusion; desirable behaviour is rewarded and undesirable behaviour is punished
Autonomy optimists	Income: autonomy through relief from basic needs	Unconditional income	Offering resources to meet basic needs
Activation	Active participation in	Active policies	Unconditional

optimists	various systems		or conditional (paternalistic: rewarding inclusion efforts, though in the context of a broad conception of work)
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Table 4: Source Van Berkel and Moller 2002

The above model comprises 'ideal types', but introduces a citizenship dimension, that by granting specific entitlements, social policies can enable people to reach their full citizenship status. By imposing obligations or responsibilities, social policies can direct the way full citizenship should be realised. Hence, activation policies can be seen as representing two different ways of structuring citizen-state relations. On the one hand, there is a paternalist 'top-down' manner; on the other, a 'bottom up', client centred manner, which can become enabling or 'empowering' (Van Berkel & Moller 2002:55).

This latter typology leads to a further distinction, whereby 'empowerment' covers not just the field of work, but a Weberian concept of life chances, by which is meant generalised opportunity to achieve outcomes not just from work, but also education, collective activities, household sharing, life cycle, age and gender opportunities. The concept of 'life chances' does not refer to attributes of individuals, but to the idea of opportunities offered to individuals by societies. Life chances are restricted when social closure, exclusion, is enforced on a particular group by the dominant group in society (Garcia & de Schampeleire 2002:73).

There is a logic of employment, the idea that the duty of the State is to ensure high and stable levels of employment, in terms of industrial development, and involves labour laws and employment protection, equal opportunities; on the other hand, there is a logic of insurance, a normative argument about what the State could do, as well as what it should do, the capacity and competence of the State itself. Insurance ideas revolve around the fact that people still grow old, fall ill, have accidents, but now citizens expect recompense for life's vicissitudes, a 'no risk' state. The first logic stimulates entry into the labour market, the second an exit from it (De Vroom and Naschold 1994).

The distinction between active and passive policies can be summarised thus:

ACTIVE POLICIES

Training
Youth policies: unemployed, training
and apprenticeship
Recruitment subsidies
Employment subsidies
Employment creation (public sector)
Policies for the disabled

PASSIVE POLICIES

Unemployment insurance
Early retirement programmes

Shorter hours
Longer holidays

In practical terms, Layard and Philpott (1991) developed a series of policies, which may have been modelled on the system as it then obtained in Sweden and comprised the following:

1. Job Centres should be instructed to help every unemployed person to find some solution within 12 months of becoming unemployed.
2. Every unemployed person should have a personal placement officer whose job is to help them into work. The advent of the computer enables such officers to know where the unemployed are, and where the jobs are. In this case, technology creates a labour market, similar in some ways to the stock market, and is achievable, given resources and will.
3. Establish routes out of unemployment: high quality training leading to a job, accredited qualifications, adequate funding, up-to-date equipment, more places.
4. Enlist the help of employers to design the training and hire the trainees.
5. Job Clubs to ensure workers are Job Ready, and employers subsidised to take them – job trials.
6. Every worker to be placed within twelve months, which means temporary public employment as a long stop, with a guaranteed six month placement.
7. The Employment Service to be the purchaser of training places, as of jobs. Therefore, amalgamate the local employment services with the then Training and Enterprise Councils (TECs).

8. The government department that bears the cost of unemployment benefit should also have the incentive to reduce that cost by being able to provide active help for the unemployed, and would be, as in Sweden, a Ministry of Work.

Such policies appear expensive to a Treasury that accounted for them on a cash basis. Layard and Philpott note that, in 1991, the British Government was spending £200 million on helping to place the unemployed, £250 million administering unemployment benefits, and £4,740 millions on benefits of various types. Layard and Philpott type policies might seem less expensive, or even reap surpluses if accounted for on an accrual, or human value basis, especially if it were recognised that Active Labour Market Policies (ALMPs), in the form of education, training and work experience programmes provide a Keynesian fiscal stimulus for areas in need of more spending flows – they actually put money in the hands of people who go out and spend it with local shopkeepers and other businesses (Dymski 1997).

As an example of active policies, in 1986, the House of Commons Employment Committee recommended creating 750,000 jobs in construction, health and social services, and using a subsidy to help employers take on the long-term unemployed. The programme was costed at £4 billion. The then Secretary of State for Employment, David Young, is said to have turned the programme down on the ground that such a sum would be better spent on tax cuts and he preferred Restart (Johnson, 1991:243.)

The ideas of the House of Commons Employment Committee raise the Labour Market problem in a slightly different way, namely, not only can the public sector be used to hire labourers, but what can the State do to make it possible for private industry to hire labour without compromising standards. Dolvik (2001), considered this problem, and his categorisation of measures can be summarised in the following table:

Measures aimed at
1. stimulating the productivity of service labour by improving technology, work organisation and human resources in services, raising wages and working conditions (eg, use of IT)
2. boosting demand for service by redistributing income and/or economic resources in favour of particular societal purposes and/or social groups by: a. expanding public services

<ul style="list-style-type: none"> b. public services vouchers c. reducing consumer taxes (VAT) on some services d. making spending on certain services tax deductible and reduce bureaucratic hassles (eg, civil society, third sector, and household services)
3. increasing labour demand by subsidising service employers through: <ul style="list-style-type: none"> a. reducing pay-roll taxes and social security levies generally or in the low wage brackets. b. giving transfers to particular employers providing jobs to the unemployed.
4. increasing labour supply by: <ul style="list-style-type: none"> a. subsidising particular groups of workers taking up unattractive jobs through forms of negative/earned income tax, and/or providing in-work social benefits. b. reducing the reservation wage by weakening income security and social provisions for non-working groups (restricting welfare provisions.)
5. improving the adaptability of service labour markets <ul style="list-style-type: none"> a. state measures changing/weakening employment protection legislation b. employer driven flexibilisation of actual employment conditions c. concerted or bargained strategies of re-regulating employment conditions

Table 4: Source Dolvik 2002

Dolvik's agenda is not to stimulate the creation of low wage service jobs, but to make the provision of public services more effective and ensure a better matching of needs and supply by means of reorganisation, introduction of competition, choice, user charges and various forms of politically controlled outsourcing to private contractors. He believes that the 'various mixes of negative income taxes, in-work benefits and financial transfers to customers and service firms who employ and train marginal workers seem quite promising in improving employment and income opportunities among the most disadvantaged groups of the labour force' (Dolvik 2001:41.)

Dolvik does however, raise an important caveat. While public services can be used to steer resources and service jobs to public ends, the weakness is that absence of market pressures may allow unacceptable levels of dead-weight (workers who would have got jobs without intervention) and problems of adjusting to changing user needs. It can happen that the priority can become to serve vested interests rather than the needs of users. Moreover, employer and worker subsidies tend to reproduce poor jobs and wage inequalities by making low pay a condition of eligibility. It is possible that the structure of public service employment might be frozen rather than transformed. To subsidise jobs in particular services or for special groups can become an alternative to investment in upgrading skill levels and hence lock economic and human resources into low-productive activities. From this point of view, it is better education, especially in adult education, that leads to higher skill levels, and that these higher skill levels will limit the potential for low-skilled service jobs. The evolution of the low-road trajectory of service employment is therefore, not

simply a matter of labour market regulation and wage formation, but also of the character of labour supply (Dolvik 2001:43. See also Gilbert, 2002, for an extended treatment of this problem.).

This point is reinforced by Gerfin & Lechner (2000) who argue that 'work creation' usually takes place in the context of a sheltered labour market that is not supposed to be in competition with the regular labour market. Their argument is that the formerly unemployed workers, now in a special project designed to 'create jobs' are now in work and cease their job search. But because the project was designed especially for them to work using the skills that they already have, they now have no reason or incentive to develop new skills. They will, in the special project, still not acquire new skills, and will remain, in commercial terms, 'unemployable.' The negative effects of withdrawing from the labour market outweigh the positive effects of being in work, precisely because such workers do not develop their human capital.

The creation of jobs is not, however, the only issue. When jobs have been created, it is also necessary to ensure that people are able to get to them and perform them. Patterns of work, for example the standard male breadwinner, 40 hours per week 8am to 5pm, that existed in the 1950s, may well not have been so appropriate in the 1990s. Hewitt (1994), attacking the same problem, thus developed an agenda revolving around flexible working patterns. These are not, by Hewitt, seen in terms of no labour market rules at all, but instead, in terms of a wide range of working hours and patterns, which enable people to achieve work-life balance over time and different stages of life. Part time hours, family friendly hours, child care, limits to the working week, the Working Time Directive, legal status of atypical work, maternity, paternity, parental leave, study leave would all, in Hewitt's view, help create a flexible labour market, together with a flexible social security system that rewards and encourages part time work, two earner families, smoothing the path from non-work to work. This agenda also includes childcare, higher thresholds for earnings, in-work benefits and positive help with child-care costs.

There is a further dimension to be considered. It is possible to argue, as leading Conservatives did in the 1980s, that the public sector can 'crowd out' the private one, and oppose public sector employment as such. On the other hand, as a general proposition, employment in the service sector of the economy might be expected to

rise as incomes rise. Britton (1986) has argued that employment opportunities might be expected to increase in areas where people want 'real' people, caring people, rather than machines, and many of these types of services, for example, in health, education, social services generally, are at least in part, in the public sector. It is possible that it is more effective to generate jobs by using the public sector than either by cutting taxation or increasing government expenditure generally. However, a policy of public sector employment would have to consider the composition of employment. It is a question not just of hiring people, but who to hire, and the danger is that a dual labour market might develop, with a set of real, permanent jobs, and a set of temporary, badly paid ones. It is possible that the public sector could become associated with a bottom tier of the labour market with cheap labour on 'make work' schemes.

If the aim of public sector recruitment was to be to create quality public services, responsive to public needs, with proper pay and conditions, then the public sector, as employer, would have to recruit on the quality of the potential worker, rather than the status of the worker as currently 'unemployed.' If the public sector came to be associated with 'make work' schemes, it might become open to politically motivated attack. If this view were correct, it might be quite simply not possible for the State to employ those people whose skills are not required in the commercial sector, and therefore, the public sector could not be an employer of last resort. It is a problem of finding real work to be done and hiring people to do it (Layard, 1981, 1991). Layard's idea was that the Manpower Services Commission would decide on projects of socially useful work, place the contracts, specify wages, thus creating regular jobs, doing work that otherwise would not be done, and hiring the long term unemployed to do it, giving them the chance to learn new skills and start to climb the ladder into new, more skilled jobs. Even in 1993, the public sector employed 5.5 million people, 20% of all the people employed at the time, spread over central government, local government and public corporations (Trinder, 1994). Public sector employment can be especially important for older men, who may be victims of demand shocks that exhibit skills bias in favour of younger, skilled workers (Disney, 1999:62).

To summarise this section, it can be said that passive policies, which the Conservatives could have adopted, might include a reduction in the working day, or

raising the school leaving age, or early retirement, none of which actually creates employment, but simply removes certain categories of worker from the labour market. All that is happening is that a smaller total of employment is being redistributed among a larger number of individuals. This is no more than a short-term palliative, since it is likely that the permanent effect of such schemes would be to reduce output by using fewer labourers. What is wanted is not to reduce unemployment, but to increase employment, which is a matter not of redistributing work, but of causing more of it to be done (Robinson, 1937: 69-81).

4. COMMENTARY

Why Keynesianism is best – Will Hutton, *The State We're In* (1992)

It may be that Robinson's view was correct in surmising that the alternatives were limited by a paradigm which considered that there was only so much work to be done at any one time, and employment policy was a matter of distributing this work among the workforce. However, this view was specifically rejected by Gordon Brown when he became Chancellor in 1997 (see Chapter Two). The purpose of this section is not to propose a new model of the economy, which would be a separate enterprise, but to give some consideration to what might be the 'building blocks' of an answer to Robinson's question: how might it be possible to cause more work to be done, so that a greater proportion of the working people might be enabled to perform their share. From this answer, it would be possible to examine the record of the Conservative and Labour Governments.

The neo-classical model of labour force participation to which the Conservatives adhered, as will be shown below in relation to Nigel Lawson, is a convenient place to start because it has been refined following a great deal of empirical testing, and has proved influential in policy-making, and it is also well-defined and its assumptions clear (Bryson & Mackay 1994). No attempt will be made to describe the complete model, for reasons of space, (there is an extended treatment in of the model in Adnett 1996), but some basic points must be made.

Vincens and Robinson (1974) argue that the theory is frequently interpreted as meaning that an employer decides how much labour to hire by comparing wage levels with the value of marginal productivity of that category of labour. The

employer must take wage levels as 'given.' Theory here has paid less attention to the demand side than the supply side. Robinson argues not that the theory is wrong, but that it is irrelevant to the policy maker. The demand for labour, in aggregate, skill and occupation is regarded as given by economic conditions and technological factors. Robinson's point is precisely that the demand for labour is not 'given' by a forecast of economic activity (Vincens and Robinson 1974:95).

However, neo-classical analysis treats the labour market as a unified entity, similar to any product market, in which allocation is determined by the price mechanism. There exists, therefore, a theory, to which the British Conservatives adhered, of markets and market interdependencies, a-historical, without reference to a social context (Loveridge & Mok 1981), and the main hypotheses are:

- Employers and Workers have fairly accurate knowledge of wages and job opportunities throughout the market
- Employers and Workers are 'rational' in that they try to maximise profits and maximise satisfaction from real wages
- Each employer and each worker represents such a small part of total demand or supply for labour that their individual decisions have no influence on wages
- There are no obstacles to the mobility of labour and other factors of production
- Workers and employers act individually and not in concert with other workers or employers in making wage and employment decisions
- Labour within a particular market is homogenous and interchangeable

These hypotheses constitute an 'ideal type', but lack reference to a social context, in contrast to Marxist theories, and to classical theories in general that connect labour market mechanisms with the power systems and phenomena of social domination.

What is important is that in this theory, the labour market constitutes a self-balancing system where labour cost fluctuates according to changes in consumer demand and modifications in the productive process (Loveridge & Mok 1981:16). As long as the real wage remains flexible, unemployment would be a purely temporary occurrence. But the theory rests on hypotheses of atomicity, perfect knowledge, and rationality,

that is, optimum use of workers, mobility, independent decisions, homogenous goods and substitutable capital for labour. The demand for labour is determined by the theory of marginal productivity combined with production functions generally postulated as having substitutable factors, while labour supply is determined by the investment in human capital associated with an alternative allocation between work and leisure, with the price mechanism governing the allocation of labour, as with every other product.

Robinson (1969 X) notes that there are actually two branches of this theory, one for the stationary state, and one for the process of accumulation. In the stationary state, there is:

A quantity of capital made of a substance like putty, which could be squeezed into various forms in no time and without cost. The wage bargain was made in real terms. Unemployment could only be due to the wage being fixed too high; if workers would only accept a lower wage, it would become more profitable to offer more employment – the putty would be squeezed out so as to make use of less 'capital intensive' methods of production. (Robinson 1969 X)

In the state of accumulation:

In a growing economy, there was a certain amount of saving that the people desired to make out of the incomes that they would enjoy when full employment obtained. Unemployment could arise only from a failure of entrepreneurs to use all the savings for investment, that is to say, from the rate of interest being too high. If the savers would only offer funds at a lower rate, investment would equal saving and full employment would be assured (Robinson 1969:X).

Hence it was that in the 1930s, economists advocated a cut in money wages as the best remedy for a slump, while the Treasury believed that there was a certain amount of saving available in any period, so that if the Government borrowed to carry out investment, there would be so much less available for everybody else. This was the theory that Keynes critiqued in 1936. But if the labour market really did function in this manner, it might well be that Governments would have no need of a

specific labour market policy. All that would be necessary would be to ensure that the system continued to function.

As an initial reaction to the neo-classical model, and to the mass unemployment of the thirties, Keynesians offered their own models of the economy. As an example, Klein (1965) endeavoured to derive the general problem of government economic policy, which is that government itself will supplement or stimulate total private spending on consumption or investment by exactly that amount that will maintain full employment, by means of, for example, outright government investment on socially useful projects that would not be undertaken by private entrepreneurs acting according to the profit motive in a capitalist economy. To this end, government must forecast, in advance, the level of income which will be generated by private economic activity and a normal government budget, and then, if there is an obvious gap, spend money to fill it. Klein saw this forecast as a purely technical problem (Klein 1965:210-211.)

The real problems with this type of Keynesian theory were different however. Denis Healey (1989: Ch 18) described how, when he was Chancellor of the Exchequer from 1974 to 1979, the Treasury was under the influence of a Keynesian orthodoxy which believed that government could maintain full employment without inflation by increasing or decreasing the demand for its output, by means of adjusting taxes, interest rates or government spending. There were two insurmountable problems with this policy stance. Firstly, the nature of economic forecasting made the necessary predictions simply impossible. The Government did not have, and could not obtain, the necessary information in anything like the requisite timescale. Healey described Treasury forecasts as "the extrapolation from a partially known past, through an unknown present to an unknowable future according to theories about the causal relationships between certain economic variables which are hotly disputed by academic theorists" (Healey 1989: 381).

Secondly, from the point of view of the practical politician, such Keynesian policies depend on knowing how millions of citizens would spend their own money, which cannot, by the nature of things, be known. Injected 'demand' might go into higher wages, or higher profits, which was as likely to produce inflation as jobs. Money might be used to buy British goods, or might be used to buy foreign goods, or even

foreign holidays. Money might be saved, it might be spent. Government can inject money into the economy, but has no power to control how the people will spend it. Hence, the Treasury orthodoxy cannot be made to work in a free society, and on this, it would seem that Sir Keith Joseph, Healey and Nigel Lawson were all agreed.

From an academic point of view, Ormerod (1994a, 1994b) has argued similarly, that growth does not generate jobs, although it is the conventional wisdom that it does. He has argued that the proceeds of growth have not been used to generate jobs, but have been appropriated by those still in work.⁹ Ormerod argues that this is evidence that there is no connection between economic growth and growth of employment. It was the experience of the generation after World War Two that led people to think that growth equals jobs. Ormerod contends that in the medium to long term, employment is not determined by the state of aggregate demand, but that successful supply side policies can increase the underlying rate of growth; and also that how this affects employment is a matter of whether the employed are able to operate as a cartel to appropriate the entire proceeds of growth and exclude those who have not already got a job.

What is valuable in the Keynesian analysis is explained by Davidson (1994:19) who pointed out that what Keynes explained was the relationship between entrepreneurs' expected sales revenue tomorrow and the amount of labour they will hire today in order to produce enough output to meet tomorrow's expected demand. Basically, the idea is that if entrepreneurs expect zero sales revenue tomorrow, they will hire zero labour today. If they expect to sell £k worth of goods in the future, they will hire KN labour hours today, where K is Sales Revenue and N is the number of labour hours necessary to produce that revenue.

Davidson uses a homely example to explain, which we paraphrase. If Farmer Brown looks at his field of potatoes, he knows from experience that he has, say, 1000 kg of potatoes. He knows, also from experience, that a good potato-picker will pick 100kg of potatoes in one eight-hour day. Farmer Brown therefore needs to hire $1000/100$ workers to pick his potatoes, ten workers. If the going rate of potato pickers is £6 per hour, it will cost him £480 to buy labour (ten workers, eight hours per day, = eighty hours, x £6 per hour). If he knows that he can sell potatoes at £1 per kg, he will

⁹ Wage inflation between 1980 and 1990 never fell below 6% - <http://www.statistics.gov.uk>

receive £1000 in sales revenue, leaving him £520 to pay his other expenses and make a profit. If the price of potato-pickers were to fall to say, £3 per hour, he will not hire twice as many pickers. He hires just as many as he needs, ten, and puts the three pounds per hour in the 'profit' column of his accounts. This is precisely the opposite of what Nigel Lawson believed.

The importance of this cannot be overstated. It means that employers do not hire workers because they are cheap, as the Conservatives believed; they hire them because they have work for them to do. The level of the wage can dictate the revenue that the entrepreneur needs to cover their expenses and reach break-even point, but not how many workers, and of what type the entrepreneur will hire: that is determined by the amount and type of work to be done. The only way to get Farmer Brown to hire more potato pickers is to ensure that he can sell all the potatoes he can grow, and therefore, grow more potatoes.

Keynes himself described the process:

The entrepreneur has to form the best expectations he can as to what consumers will be prepared to pay when he is ready to supply them after the elapse of what might be a lengthy period; and he has no choice but to be guided by these expectations, if he is to produce at all by processes which occupy time... it is on these various expectations that the amount of employment which firms offer will depend (Keynes 1973:46-7)

Furthermore, in Chapter Three of the General Theory, where Keynes defined his terms, he defined the demand for labour in terms of wage units, by which he meant 'hours of labour'. Hence, the demand for labour can only be expressed in terms of hours of labour, of particular types, and the number of jobs is a function of how much work is to be done, of what type, and how organised, not the level of the wage.

With regard to the wage bargain, it must be noted that neo-classical theory cannot understand why workers without jobs do not accept lower wages, and why employers do not offer work at lower wages to clear the labour market. But, it is employers who set wages, not workers. Employers set wages to attract particular types of worker, and may pay above the current market rate in order to do so. An

employer who takes advantage of depressed times to reduce wages will find himself with morale and labour turnover problems in the future (Mackay & Jones 1989:36).

Furthermore, it was one of Keynes' basic postulates that workers cannot price themselves into jobs, since the employment contract is part of a system of contracts denoted in money terms, a money-wage contract-based system. An employer who hires workers at a lower wage might well be in breach of his contract to pay the workers he already has the wages he has already contracted to pay them. Without contract, firms cannot force their own customers to pay them, and workers cannot force their employer to pay their wages. The government can hardly pass a law that all contracts shall be legally enforceable except those for paying wages.

Once the wage question is left behind, it becomes possible to discuss employment, wealth creation, work creation in different terms. It is possible to discuss the development of jobs, job content, geographical location, nature of production units, characteristics of available manpower (Vincens and Robinson 1974:68). Reich (1992) for example, divides workers into the traditional foot soldiers of Fordist capitalism; personal services (see also Sarfati 2002:19 on the nature of service work); and 'symbolic analysts', the intelligentsia, lawyers, accountants, bankers. Streek (1992) has discussed broad, high, polyvalent skills, capacity to acquire skills, attitudinal and behavioural skills or characteristics, skill as a productive resource, difficult for accountants to calculate, a point of view to which Keynesian theory paid little attention. While Klein was quite correct to argue that Government as such could have its own projects, while being wrong to think that Government could know in advance how much unemployment there would otherwise be, it is still possible that Government can generate employment by labour intensive projects, such as house renovation, while not commissioning capital-intensive projects which require much skilled, but no unskilled labour, such as Concorde. It is possible to utilise Symes' (1995) empirical study of Manchester, where the problem was how to generate enough jobs to provide work for the unemployed, in a situation where there existed a mismatch of skills between redundant workers and the needs of a growing service sector with a demand for high skills in the city itself: there were professional and managerial vacancies which could not be filled by unemployed manufacturing workers after a short training course. It becomes possible to conceive localised solutions to local problems, in which there is not one labour market, but many labour

markets, these particular workers and these particular employers (Campbell 1992:29,) active agents who interpret worker characteristics in a world where the education and training systems determine what type of labour is available (Maguire 1992).

It is also possible to re-introduce the connection between production and consumption understood by classical political economy. This means understanding that the wages earned by the common people constitute the wherewithal to purchase, as consumers, the commodities that they have produced as workers. To reduce these wages, as advocated by some, including the Conservatives in the 1980s, is to deprive whole classes of people of the power to consume. The consequences, in terms of what is to be produced, who is to produce it, to whom it is to be sold, would constitute a separate study. However, the issue was well understood by the self-styled economic heretic J.A. Hobson, who wrote:

a general rise in the standard of comfort of the workers creates an increased demand of a steady and habitual kind, the new elements of consumption belonging to the order of necessities or primary comforts become ingrained in the habits of large classes of consumers and the employment they afford is regular and reliable. When this simple principle is clearly grasped by social reformers, it will enable them to see that the only effective remedy for unemployment lies in a general policy of social and economic reform, which aims at placing a larger and larger proportion of the 'consuming power' of the community in the hands of those who, having received it as the earnings of their effort, will learn to use it in building up a higher standard of wholesome consumption. (Hobson 1899:148)

This view is often associated with Maynard Keynes, but was as well known to the founding father of the discipline of political economy, Adam Smith, as to Karl Marx, who understood that *Production and Consumption* are two sides of the same coin: there cannot be one without the other.

Beyond the wage problem, it also becomes possible to consider how 'work' itself is valorised, that is to say, how work is turned into value, which can be seen as an aspect of what work is to be done. Hutton (2002) has argued that since

approximately 1980, the American influence over the Western world has been felt in the way that 'value' has come to be defined as 'shareholder value' to the exclusion of the interests of other stakeholders, such as managers, workers, customers, suppliers, local authorities, National Government. In Sweden, managers, customers, suppliers, local authorities are stakeholders, whose views have to be taken into account. But this shareholder value is that which is to be maximised, in the form of the share price. Furthermore, in an era of high interest rates, it became more profitable to maximise shareholder value by means of financial engineering, trading in paper money, than by making physical commodities (the process described as 'monetary accumulation' (Leaman, 2001, ch 6). Hutton gives as his leading example Boeing, which became a financial engineer, a holding company for various shares, rather than the manufacturer of aeroplanes that it used to be. This is an example of Reich's thesis, that the work to be done comes to be the work done by 'symbolic analysts', the lawyers, accountants, mathematicians, economists, with a few low grade service workers, cleaners, caterers, with no room for the highly skilled technicians employed by, for example, Michelin, or Audi. This situation has great impact, naturally, on the nature of the work to be done, and who is hired to do it, with what rewards are available for doing it, though it is interesting that none of the giants of the US Auto industry, Ford, Chrysler or General Motors has succumbed to the Boeing Syndrome. Hutton's argument can also be interpreted to mean that Governments can, through their policies, encourage certain work to be done, and discourage other work, and that Conservative Governments in Britain, and Republican Governments in the US, encouraged and discouraged the wrong sorts of work.

5. CONSERVATIVE PRACTICE

It is not the business of this study to debate or analyse 1980s type Conservatism, which has been done many times (see Gamble, 1988, Kavanagh, 1987) among many others. There is a difficulty, understood by Gamble, that to do so risks giving the Conservative project rather more coherence, intellectual and ideological, than it really had. Conservatism can as well be conceptualised as the New Right, or statecraft (the gaining and holding of power.) Evans (2002) argued that the Conservatives did not create a political hegemony in Britain, nor did they evidence a unique empathy with 'The people;' rather, "for a time, the Thatcher government was

successful in appealing to the new social force of a consumerism of shares, wealth, home ownership, law and order and national glory' (Evans, 2002:225). This was not a wholesale conversion of a working-class electorate, but a basic statecraft image of competence and determination, which, between 1979 and 1996, Labour could not offer. What appeared was not a permanent realignment, but the temporary capture of an affluent, southern working class, by someone who was lucky in her enemies.

5.1 Lawson explains Conservative economic policy

The Mais Lecture has, since 1978, been used as an opportunity for senior figures in Government to explain Government policy and thinking on matters of inflation and monetary policy. The Lecture has been given by serving Chancellors of the Exchequer (Howe 1981, Lawson 1984, Clarke 1994, Brown 1999, Darling 2008), Governors of the Bank of England (Richardson 1978, Leigh-Pemberton 1987, George 1997, King 2005) and others (Roy Jenkins 1986, Tony Blair 1995, Rabbi Jonathan Sacks 2000). This section uses the Lecture given in 1984 by then Chancellor Nigel Lawson to explain Conservative economic policy, and is here argued to be Lawson's attempt to explain what Conservative Governments of 1979 to 1984 perceived themselves to have done.

Lawson claimed in this lecture that there had existed a post-War convention, followed by both Labour and Conservative governments, that unemployment was a consequence of inadequate economic growth, which had to be dealt with by means of macro-economic policy, using the fiscal stimulus of an enlarged budget deficit and a passive monetary policy; and that inflation was to be dealt with by means of micro-economic policies of controls and subsidies. Lawson announced that there was now in place a new Conservative policy, which was to reverse roles; henceforth, the object of macro-economic policy was to be the control of inflation, by means of controlling the money supply, while employment was to be a matter of micro-economic policy, a matter of creating conditions conducive to growth and employment.

The background to this change, discussed by Lawson in this lecture, had also been discussed by Sir Keith Joseph in a speech in Preston in 1974, and by Lawson's predecessor as Chancellor, Sir Geoffrey Howe, in the speech introducing the 1981 Finance Bill. The view of these Conservatives was that the allegedly Keynesian

policies of demand management had led not to economic growth, but to rising inflation, and that in the conditions of the 1970s and 1980s, inflation was a greater danger than unemployment. Joseph (1974) had argued that inflation was threatening to destroy Britain and its prosperity, and would destroy savings, capital and jobs, by destroying employers, and that inflation had been the result of the creation of too much money. Therefore, the way to control inflation was to maintain tight control of the money supply. Inflation was caused, in the Conservative view, by pumping money into the economy, by means of Government borrowing, at a faster rate than the growth of goods and services. Moreover, in this view, unemployment was itself a multi-faceted problem, with multi-faceted causes, and therefore needed multi-faceted solutions. This view had been echoed by Sir Geoffrey Howe in the 1981 Budget speech, and Howe had committed the Government first and foremost to the fight against inflation (his own Mais Lecture in 1981, had been entitled "The Fight Against Inflation"). To the Conservatives, problems of employment and unemployment were of lesser importance than the battle against inflation. Certainly, Conservatives accepted that unemployment was a tragedy for individuals, and could not be ignored by the wider society, but Lawson committed the Government to the fight against inflation as a higher priority, to be combated by macro-economic policy.

Lawson made a significant statement in his lecture, expressing his view of the power of government itself to combat unemployment when he referred to 'workers who prefer to price themselves into jobs rather than out of them,' in comparison to the US, in such a manner as to suggest that he thought that the quantity of jobs available would depend on the level of the wage, and that there was a causal connection between wage levels and jobs. This can be seen as the language of neo-classical economics, as described by Lekachman in Chapter One, Section 5.2. In neo-classical economics, it will be remembered, the laws of supply and demand determine objectively the price of a commodity, and labour is a commodity. The cause of unemployment can only be that wages are too high, and that if workers would only work for lower wages, it would be profitable for employers to offer more employment. Consequently, because he adhered to the neo-classical theory, Lawson affirmed that workers could find jobs if they were prepared to work for lower wages.

Later in the lecture, Lawson proceeded to deny that the reduction in inflation had been caused by high unemployment:

So far from high unemployment being the cause of lower earnings and thus lower inflation, it was the failure of wages to adjust at a time of falling inflation that was responsible for much of the increased unemployment (Lawson 1984)

In this Conservative language, the labour market appears as a text-book abstraction. Lawson (1992), Howe (1994) and Thatcher (1993) all wrote memoirs of their time in Government, and Thatcher's comment on appointing David Young to the Department of Employment in 1986 was typical. She commented that Young was a man who "understood the relationship between the price of labour and the quantity of jobs" (Thatcher 1993:421). The language here, in the words of Hindess (1987 – see Chapter One) essentialises, fetishises the labour market: there is *one* labour market, in which there are *two* variables, "*the* price of labour" and "*the* number of jobs", between which there was an unproblematic and unmediated causal relationship, such that more of one equals less of the other. Concepts of multiple labour markets, differentiated labour markets, multiple prices of labour, concepts of high wage/low unit cost enterprises on the American pattern (Littler 1982: 177), had not entered Conservative discourse. Littler indeed argued that Britain long remained a low wage economy, in which wage-levels were determined by social norms arising from entrenched beliefs in a class hierarchy (Littler 1982:177). Conservative discourse, exemplified by Thatcher and Lawson seemed to revolve around lower wages as a 'good' in themselves, never higher ones paid for by high productivity and low unit costs, a combination which Littler argued created the mass market in the US.

Lawson, later in this lecture, described an 'Enterprise Culture', and claimed to be seeking a change in psychology, a change in business culture. He wished to abolish pay controls, dividend controls, foreign exchange controls, bank lending controls, hire purchase restrictions, industrial building controls, introduce progressive reductions in the 'burden' of income tax, privatisation, and to break up monopolies and restrictive practices. He considered that this agenda would result in higher productivity and more employment.

Lawson did not consider in this lecture issues of training or quality of jobs, nor the ability of workers to perform the work that was to be done, which in the argument of this study, comprises the capacity and competence of the citizen to exercise citizenship. His lecture appears to be somewhat one-sided, in that he discussed employers and profits, but not the quality of life of the employee, nor the impact of lower wages on the standard of living of British citizens.

The remainder of this section will interrogate the results of Conservative policy in practice. It will not examine the whole of Conservative policy, but will restrict itself to studying key responses to labour market issues, in terms of citizen 'enablement' aided by the efforts of the state, of which the antecedents were set out in Chapter Three, *The Antecedents of the Enabling State*. The key question will be, did Conservative policies enable access to, or deprive certain categories of citizens of the capacities or competences to be able to share in the wealth of the country, or did they only enhance the capacity and competence of others? Did Conservative policies empower citizens to take control of their own fates, to become authors of their own lives? Or was Conservative thinking directed in other directions? Or was there a confusion between ends and means?

5.2 An Overview of Conservative Labour Market Policy

This section will commence with an overview of Conservative policies in the period in question. It is possible to be kind to the Conservative Governments, and accept that after 1980, they were simply overwhelmed by a phenomenon that their economic theorists said could not happen (Thatcher 1993, Howe 1994). It is noteworthy that Nigel Lawson, Financial Secretary to the Treasury in 1981, confessed in his memoirs (1992:55) that although the severity of the squeeze on output was fully foreseen by the Government, the size of the accompanying rise in unemployment came as a shock. The total loss in output between 1979 and 1981 was, Lawson admits, 5½ percent, but employment, he said, fell from 23.1 million at the end of 1979 to 21 million at the beginning of 1983, and the rise in recorded unemployment even greater: 2.3 million over the same period. 14 per cent of total manufacturing employment was lost. McLaughlin (1992:4) compiled the following table, measuring only those claiming unemployment benefit, excluding those on government training schemes:

	Annual average registered unemployment	Annual average vacancies, Jobcentres	Annual average vacancies, estimated
1979	1227300	241300	723900
1980	1560800	143000	429000
1981	2419800	97000	291000
1982	2793400	111300	333900
1983	3104700	145100	435300
1984	3159800	150200	450600
1985	3271200	162100	486300
1986	3289100	188800	566400
1987	2806500	235400	703200
1988	2274900	248600	745800
1989	1784400	219500	658500
1990	1661700	173500	520500
1991 (Sept)	2460600		
1991 (projection)	2750000		

Table 3: Source: McLaughlin 1992

Thus, throughout the 1980s, the number of registered unemployed exceeded possible vacancies by a factor of up to six to one. McLaughlin argued that the Conservatives abandoned any commitment to the management of labour demand since they believed that employment and unemployment were caused by factors exogenous to the labour market, and are matters of individual choice, personal efficiency, excessive labour power and the 'dead hand of the State.' The aim of the Government was therefore for the labour market to reach a natural equilibrium, in which the supply and demand for labour would equalise themselves through the price mechanism (the wage rate). Therefore, McLaughlin pointed out, the Conservatives followed a policy of using social security changes to make benefits harder to claim, promote low-paid work and de-regulating the employment contract. McLaughlin noted the following measures:

Cuts in unemployment benefit

Widening the range of jobs claimants are required to accept

Tougher "actively seeking work" tests

Removal of social security rights from young people

Rebates of national insurance contributions for the low-paid

Subsidies for employing young people

Extension of in-work benefits targeted at the low-paid

Removal of employment protection for part timers and temporary workers

Exclusion of young people from unfair dismissal protection

Abolition of Wages Councils

Outlawing of closed shops

Reduced legal scope for strike action

Anderton (1997) also notes the Employment Acts of 1980, 1982, 1988, 1989, the Trade Union and Labour Relations (Consolidation) Act 1992 and the Trade Union Reform and Employment Rights Act 1993, which all affected the bargaining power of Unions, dealing with various aspects of collective action, unions' liability to fines, use of ballots, and the rights of individual members against their Unions.

Wilding (1997) has argued that the Conservatives destroyed confidence in the State itself, by means of the claims of lack of capacity, of bureaucratic self-interest and by an insistence that large bureaucratic organisations are, by their very nature, inefficient, ineffective, unresponsive and self-interested. Wilding also noted how the Conservatives started a debate about the nature of the Welfare State itself. Whereas Beveridge had emphasised the universality of provision, that services should be available to all, not just to the poor, Thatcher seemed to believe that the Welfare State existed only for the poor - 'state charity'. Hence, unemployment benefit would be set low in order to try to force the unemployed back to work - the Poor Law Amendment Act approach. In 1980s Conservative welfare, Wilding claims, obligation took priority over rights.

Blanchflower and Freeman (1994) attempted a 'before and after analysis', noting that the Social Security Act of 1980 abolished the Earnings Related Supplement element of unemployment benefit, so that, by 1982, Britain was the only member of the European Community with no element of unemployment benefit related to past earnings. In addition, unemployment benefit began to become taxable from 1982,

and more stringently administered. The number of Unemployment Review Officers was increased from 300 in 1978 to 880 in 1981. The total number of staff in the Department of Health and Social Security allocated to fraud work increased from 2044 in 1980 to 3674 in 1987. Whereas from 1974 the previous Labour Government instituted saturation inspections to identify employers who ignored or violated the 1976 Sex Discrimination Act and the Equal Pay Act, revealing rates of underpayment as high as 45 to 60% among employers in some parts of the country, the Conservatives abandoned saturation inspections after 1979. The Social Security Act of 1986 extended the maximum period of benefit disqualification from six to 13 weeks: this applies where there is quitting a job without cause, or loss of a job through industrial misconduct, or refusal to take suitable work or training offers. This disqualification period was increased to 26 weeks in 1988, and days of disqualification counted towards the entitlement to 312 days of benefit. Student entitlements were removed in 1986. From 1987, owner-occupiers aged under 60 were allowed to receive only 50% of the mortgage interest eligible during the first 16 weeks on benefit. The entitlement of 16 and 17 year olds to receive benefit was removed in 1988. School leavers' entitlements were reduced after 1980. Easter School leavers entered for a summer examination were deemed to be ineligible for benefit until the following September. The Social Fund replaced Supplementary Benefit single payments in 1988. Wages Councils, which fixed minimum wages in some industries, were abolished. (Blanchflower & Freeman, 1994:76-78).

Blanchflower and Freeman concluded that although the government certainly succeeded in reducing Union power and influence, and may have increased the benefits of being in work, it achieved this by increasing the penalties of being out of work. Nor did they improve the response of real wages to unemployment, nor the transition for men out of unemployment. Observed outcomes:

raise the disheartening possibility that reforms in fact brought the UK a mixture of the worst of two possible worlds: the massive wage inequality of the decentralised US labour market together with high and lengthy spells of unemployment, European Style (Blanchflower and Freeman, 1994:75).

It might have been argued that Conservative reforms had not gone far enough, or had not enough time to work out fully. It may have been that the reforms failed to recognise the power of insiders for rent-seeking behaviour. It may have been that the success of market enhancing reforms depends not only on the reforms themselves, but also on the broader economic environment. Blanchflower and Freeman prefer to believe that the reforms were based on an incorrect understanding of how the labour market actually 'worked' (1994:75).

5.3 Conservative training policies: Disablement?

King (1993) investigated Conservative training policy, and began by asking, who is being trained, what are they being trained to do, who is doing the training? Training, in England, has historically been a voluntary matter between employers and organised labour, with little State involvement (King 1993, Evans 1992, More 1980), and mainly took the form of the craft apprenticeship. The Labour Government had increased central funding after 1975 to expand training for the unemployed, but had not developed a comprehensive manpower policy, but rather, 'facilitated the maintenance of existing priorities among employers and trade unions' (Evans 1992:221).

King found evidence that there was indeed a problem. He argued that British employers adopted a haphazard and short term approach to training. The majority of British workers had received no vocational training while in employment. The 1990 Labour Force Survey reported that some one third of the population aged 18 to 60 had no formal qualifications, and half the population aged 18 to 60 had received no training in their current job (Hasluck & Wilson 1992:16-18). King's argument was that Conservative Employment Training programmes purported to be a coherent intervention in the labour market to direct and co-ordinate training appropriate to labour market needs, but in fact sprang out of an ideological agenda with four aims: firstly, to weaken trade union influence by undermining the craft apprenticeship schemes; secondly, to stress individual initiative and choice, and eradicate disincentives to labour market participation by reducing benefits and making them harder to claim; thirdly, to advantage employer preference and influence in training programmes without state direction or assistance; fourthly, to spend as little money as possible, since Conservative programmes were a response to unemployment,

rather than a re-skilling agenda. The craft apprenticeship system had declined during the 1981 recession, and there had developed no alternative, nor was the apprenticeship system extended to other industries or services. The result was a 'social blockage' in the concept of 'skill.' The term 'skill' was still restricted to traditional craft trades, and when these declined, there was no other concept of skill available. An unintended consequence was that other activities became categorised as 'low skill', leading to low wages, regardless of the skill content of the job.

During the 1980s, there occurred two other consequences of government policies. Firstly, high unemployment forced trainers to target redundant workers and young people with no work experience, who formed the long term unemployed. This meant that available money went into programmes of temporary employment and short course training measures, rather than genuine skill enhancement. Containment of unemployment became more important than training for employment. As a consequence, what schemes that were developed were criticised for containing no serious training; trainees were used as cheap labour, and programmes failed to attract either trainees or employers (King 1993: 224-5).

The other consequence was the situation defined by Finegold and Soskice as the 'low wage, low skill equilibrium', a situation where the majority of enterprises were staffed with poorly trained managers and workers producing low-quality commodities and services at low prices financed by low wages. This is a situation, out of which it is almost impossible to move, since the existence of the equilibrium stifles the demand for skill itself.

The Conservatives could not deal with this situation. The training agenda was after 1988 delegated to the employers, who dominated the Training and Enterprise Councils, although it was the refusal of employers to train workers that had caused State intervention in the first place. Policy took existing work as 'given', rather than 'innovated' (Evans 1992:135), the 'ever cheaper production of what we already produce' (Commission for Social Justice 1994:95-6), and the agenda became not to offer training as a means of enhancing personal fulfilment through work, but narrowly improving the skills of labour in order to maximise employer profits.

Moreover, as soon as unemployment began to decline, after 1988 (before rising again) the Employment Training budget was cut. The 1991 White Paper on public

expenditure projected a fall from £1.062 billion to £0.757 billion (King 1993), and appeared to be driven by ideology and politics, rather than a desire to improve the nation's skill-set, and was held back by a Treasury that felt that restraining public expenditure was the acme of sound economic management (Evans, 1992:90, Johnson 1991:243).

Yet the Confederation of British Industry (CBI) had itself as a result of its 1988 Conference, set up a task force, reporting in 1989, with a proposal to develop the idea of 'careership', a framework for the 14 to 19 age group:

Yet skill needs can only be met by the creation of effective training markets in which the consumers – individuals and their employers – exercise more influence over education and training provision. Employers must be persuaded to manage their skills needs like any other business challenge. (quoted by Evans, 1992:124)

The CBI accepted that Government had a role to play by, for example, funding a credit for all 16 year olds to work for NVQ3 or equivalent, in order to offer the nation a coherent vocational education and training policy.

Changes in the nature of work would seem to bear out the validity of the CBI's approach. Davis (1986:83) notes that, according to the Office of National Statistics, in 1911, non-manual jobs accounted for 20% of the total. By 1971, this proportion was 40%, and by 1983, 52%. Between 1971 and 1983, there was a total net loss of 700,000 jobs, but there was a growth of 2.5 million in non-manual jobs, and a fall of 3.2 million in manual ones. Jobs lost were unskilled manual and craft, while jobs gained were high level technical and professional. The nature of the work to be done changes.

Realistically, however, the majority of the long term unemployed will not be occupying the senior positions requiring higher level skills. Training for the unemployed must be focussed on broad-based lower level skills to help them occupy the lower rungs of the skill ladder. Yet positions on these lower rungs will only become available if the ladder is extended and everyone moves up to make room for those waiting at the bottom.

Without progression therefore, both upwards and outwards by those at work, there will be no room for those without work, whether unemployed or young people starting out on their working lives. Without progression there will also not be advances in productivity across the whole workforce for Britain to recover its competitiveness and hence create the new jobs needed. Without progression, changes that are occurring and that inevitably will occur in the future cannot be coped with (Davis, 1986:90).

Davis therefore poses two problematics. Firstly, those already in work must constantly upskill and reskill themselves in order both to cope with future change, and also to make room at the bottom for new-comers to the labour market. Secondly, those newcomers must acquire lower level skills to get into the labour market at the bottom, and in their turn, reskill and upskill themselves to make room for those coming after them. The problem is not the "McJob", but the opportunity to move up the ladder; and Government training policy must address both needs. Society may require its 'hewers of wood and drawers of water', but it is not necessary for whole classes of citizens to be required to remain permanently hewers of wood and drawers of water.

5.4 The early 1980s: the Davies and Mason study

The study by Tom Davies and Charlie Mason (1984) was designed to examine how labour market policy is implemented, viewed from the local level, taking into account the whole policy apparatus, up to and including Ministerial level. Davies & Mason wrote (1984:2) that at the time, the concept of labour market policy was of relatively recent origin, bringing together a scattered group of policy areas, and attempting, not entirely successfully, to co-ordinate them in a coherent way, and at the same time, was motivated by a concern to alleviate the social effects of increased unemployment. The links in the process are multiple and complex, stemming from the number of agencies and resources involved. Their attempt was to examine policy implementation mostly at the local level. They studied three towns, each with a different problem.

In the first town (the towns were left anonymous by Davies and Mason), they found a series of training activities, concerned with training in the use of computers workers

who had little or no experience of computers. The aim was to enskill workers to move out of declining industries into new ones. What Davies and Mason actually found (1984:40) was a series of activities which were not supported by local authorities; there was little or no co-ordination; the activities reacted to local demand in an ad hoc way. Central finance was available as an inducement, but local authorities suffered from lack of local knowledge about the actual needs of industry. Davies and Mason found a series of implementations which survived and grew in a climate of public expenditure cutbacks, protected by pressure from the Department of Industry and the Department of Employment. There was, however, no overt co-ordinating policy at central government level (1984:69), since central government believed that there were existing local initiatives that were working well, and needed no further action. Both at national and local levels, there were Conservative administrations with radically pro-market views, anxious not to be seen to be doing the private sector's work for it, while understanding that without some government action nothing would be done.

In the second town, a nationalised industry was restructuring, making workers redundant, but no thought appeared to be given to the future of the redundant workers. Indeed, there was a redundancy scheme, but it was introduced partly as a means of alleviating hardship, but was also mainly a device to ensure that older workers were "shaken out" of the labour market. The real need was to attract new businesses to the town, but the local authority, although it had land, buildings and grants, had no power to get firms to set up in the area: firms could not be bribed, cajoled, persuaded or bullied into opening. Indeed, the concept of 'the firm' was absent from government thinking (1984:182). Policy was entirely 'reactive.'

In the third case study, Davies and Mason studied a project called Wider Opportunities for Women (WOW). This project was chosen for a number of reasons. Firstly, because of the Sex Discrimination Act, and sex discrimination was for Davies and Mason, the most common sort of discrimination, and illuminated other sorts of discrimination, for example of colour, age and ethnicity. Secondly, the study was concerned with how the labour market allocates job chances, and therefore life chances unequally between various groupings in society. This project was training women for non-traditional areas of the labour market (1984:183). What Davies and Mason found was (1984:196) that both the District and County Councils, both

Conservative controlled, were without policies in the field of women's employment, and there was no will among officers to be involved in this field of implementation. A social services officer is quoted as saying "I'm sure the answer is no, there aren't any policies for working women." Thus, WOW, a programme designed and run by local Further Education Colleges to encourage women back into the labour market, lived a frail existence, with almost no support at all within a hostile policy environment. Davies and Mason wrote:

The local authority was politically unsupportive. All three case studies were located in Conservative counties, and two had Conservative district councils. However, the degree of non-policy support was startling in this case. There was no structure plan for women in the labour market, and indeed, planning would only have got involved had there been shortages of labour. There was no child care policy related to employment goals, and no awareness of Equal Opportunities Commission policy in this field (Davies and Mason 1984:200).

Davies and Mason categorise their findings by identifying three areas of labour market policy (Davies and Mason 1984:3). Firstly, they identify "restructuring", a matter of policies designed to restructure the labour market. This is a matter of increasing the efficiency of labour, of moving employees from one industry to another, a matter of training. In the case studies, Davies and Mason found a remarkable sharing of values, a multi-programme response to a problem, a covert policy, with a low political profile.

Secondly, they identify "mopping up". This policy is designed to cope with the results of restructuring. It is essentially a reactive means of alleviating the effects of restructuring, by means of unemployment benefit or temporary jobs. There is manifested a need to be seen to be doing something, marked by clear differences between local and central government regarding the need to address policy to the workforce, but however, inadequately resourced, with little implementation.

Thirdly, they identify redistribution: this concerns policies to redistribute life chances to those disadvantaged in the labour market because of discrimination, or low earnings or both. It is concerned with changing the underlying processes in the labour market that tend to allocate jobs to individuals, and allocate groups to low

paid, insecure and low opportunity jobs, or to unemployment. Davies and Mason found, on the part of government agencies, both local and national, a need to avoid taking the needs of women in the labour market seriously, a feeling that nothing could be done, a clear conflict between the centre and local level, a degree of scepticism. There was a single programme response, backed up by non-implementation of other relevant policies, politically invisible, badly resourced, with almost complete lack of political interest or commitment.

The overall picture presented by Davies and Mason is of a system where the priority was restructuring, the second priority was to recompense the redundant for their redundancy, and redistribution was of very low priority. Labour market policy was difficult to identify, diverse, diffuse and complex, characterised by many policy-makers and competing organisations, the reverse of the system that Beveridge desired. Also, the priority of the policy of recompense kept workers out of the labour market, rather than speedily bringing them back to independence, which, as Chapter Three, *The Antecedents of the Enabling State* in this study argued, has been the aim of English social policy from the Elizabethan Poor Law to Beveridge.

To summarise therefore, Davies and Mason describe a purely passive policy, waiting for something to happen, leaving workers disabled, unable to return to the labour market from which they had been expelled. What did Conservative Governments do to bring workers back into work?

5.5 Youth Training and the Conservatives

The story of Education, training and the Conservative Governments is one of paradox. This section will summarise the essentials of the story.

Certainly, until the late 1970s, young people were able to leave school at the age of 15 or 16 and immediately obtain work. The labour market began to tighten in the late 1970s, and the Labour Government introduced Youth Opportunities (YOPS) in 1977 to give a helping hand to young people who found entry into the labour market difficult. The Conservatives took over YOPS and transformed it into Youth Training Scheme (YTS) in 1986, and later, Youth Training, by which time, unemployment among young people had reached very high levels. Despite measures to cheapen young labour, manufacturing employment had shrunk, and employers had shifted to

part time labour for unskilled service sector jobs, and the demand for unqualified 16 year olds had declined, while the shift to managerial, professional and technical jobs had shown young people the need for education and training.

The first aspect of the paradox is this: in 1986, four out of seven young people left school at 16, usually for good. In 1995, seven out of ten stayed on in full time education for at least one more year. This may have been a rational choice to postpone entry into the labour market. However, the proportion of young people taking vocational courses in school or college increased by 7% between 1989 and 1992, the proportion getting formal job training outside full time education fell by 12%, exacerbating a vocational/academic divide (Payne et al 1996:3), who note that the role of YTS was odd. The full time education route predominated in white collar, higher level jobs, personal services, selling and office jobs. YTS predominated in manual jobs, processing and making and repairing work. Entry into apprenticeships seems to have fallen over the 1980s and 1990s, even after the end of the 1991 recession (Payne et al 1996:89.)

These apprenticeships were important, as they lead to intermediate, craft, technician, supervisory jobs, the skilled men and women. The skills involved relate to the National Qualification Framework NVQ Level 3, and which require a significant period of job-related training. It is not training or education up to degree level, but it is where the Germans and Swedes are strong. But although between 1976 and 1994, and especially after 1985, demand for non-manual intermediate skills in science and engineering, and in the field of managerial jobs in the finance and office sectors grew, there was a significant decline in employment in skilled engineering and construction, associated with deskilling and downward occupational movement on a considerable scale, accelerating after 1985 (Elias and Bynner 1996.)

One effect of this syndrome was noted by Carey et al (1997) surveying basic skills in literacy and numeracy (which anticipated the Moser Report on 1999, which found that one adult in seven in Britain could not read well enough to identify a plumber in Yellow Pages). The pattern of employment growth over the period 1983 to 1996 showed growth in business, health, computing, retail, but decline in public administration, manufacturing and agriculture. This meant that industries that used to offer employment to the low skilled declined, while growth occurred in areas that

offered work only to the high skilled. The consequence was that if the low skilled are not upskilled, they will be left behind, and the literacy skills of the resulting reserve army of labour will be insufficient to meet demand. Carey et al argue that this in fact is what happened in the field of Adult Education. They could not say in 1997 that there was created a problem that the combination of New Deal and Skills for Life had to be invented to solve.

The problem did not lie with the young people, who simply wanted jobs, but as YTS schemes expanded, youth unemployment became worse, not better. By 1986, more than half under 18s, and a quarter of under 25s were out of work. 300000 young adults had never had a job since leaving school, unable, therefore to make the transition from child to adult (Finn 1987:187.)

Yet YTS had been introduced amid a fanfare of rhetoric. The aim of Conservative youth policy had been to 'modernise' an ailing industry, to provide school leavers with the opportunity to acquire the skills they need, to acquire the 'right' attitudes to work, undertake quality training and learn to 'price themselves into jobs', resulting in a revolution in skills training for school leavers (Mizen 1995:ix). This was all to be done at public expense:

You now have the opportunity to take on young men and women, train them and let them work for you almost entirely at our expense, and then decide whether or not to employ them (David Young, Department of Employment, in *The Director*, October 1982, to employers, quoted by Finn 1987:162.)

At their best, the schemes had potential. For example, Coventry City Council ran two large training schemes which offered young people the opportunity to train as carpenters, painters and decorators, plumbers or electricians. Year One was spent in the Apprentice Training School with day release to the local technical college for a City and Guilds certificate. This first year was used as a pool from which to select suitable candidates to go on to train as full apprentices, and eventually enter the City's workforce proper. Competition for places was severe, GCSE Maths was desirable (Mizen 1995:115). There were engineering employers who worked similarly, refusing to recast their own apprenticeships on the lines of YTS, seriously trying to train the next generation of skilled men, and who actually wanted nothing to

do with YTS. This was true of large employers who could afford to train, but not of small employers who could not, but who were the ones chosen by YTS for placements.

Some form of training scheme was essential. The scheme for the construction industry was reviewed by Clarke and Wall (1998) who identified a number of problematical areas, namely, low and declining levels of training, changes in the type of training, variable quality of training, fragmentation of training organisation, skill shortages, problems of skill recognition, and multi-skilling.

Among those factors germane to this study, however, they note the near demise, especially in London, of direct employment, and the growth of self-employment, as a means of cheapening labour, with a resultant lack of opportunities for new entrants. Such self-employment lowers labour costs by reducing or eliminating indirect social costs, such as National Insurance, holidays, sickness, guaranteed minimum, redundancy, and constitutes a tax subsidy and cost advantage over those directly employing labour, while operatives suffer a deterioration in conditions of service. This lowering of costs also creates instability of trade, as a trainee needs to be with a firm for at least three years to become 'skilled,' which needs a stable infrastructure. This self-employment is associated with low level skills or informal skills, and also low pay, as, Clarke and Wall argue, the less regulated the pay structure, the more open to pure market forces, the more indifferent it is to qualifications. The inevitable result of poor and casual employment conditions, (which were a target of Beveridge) is shortages of skills, as skilled workers either leave or emigrate.

Clarke and Wall also note (p41) a reduction in numbers of trainees, from 16,400 in 1985 to fewer than 8,000 in 1995, which was not related to depressed levels of activity, but in fact was contemporaneous with an increase in output in the late 1980s. First year youth entrants declined in numbers rapidly after 1989. The causes of such decline lie in demographic change and the increase in the numbers of 16-year-olds staying in full-time education, alongside casualisation, poor pay and conditions which have acted as important deterrents to entering the industry and given it an increasingly bad reputation (1998:45). Furthermore, the devastating effect which a deregulated labour market has had on training also points to the

vulnerability of a system which depends entirely on the goodwill of an individual employer rather than being an industry responsibility.

YTS was eventually taken under the wing of the new Training and Enterprise Councils (TECs), whose history is told by Jones (1999). Jones noted that the four main functions of the TECs were supposed to be: to assess the local skill needs of communities, and tailor national training programmes to meet those needs; to support local enterprise through small businesses; increase private sector involvement in VET; to act as a forum to bring about local change (p117). However, the TECs were handicapped from the start by a dichotomy between the rhetoric of flexibility and the reality of rigid national schemes, and inherited training programmes which had been developed as responses to the high unemployment of the 1980s (p120). Jones is of the opinion that the TECs were devised as a means of combating unemployment, not of tackling skill shortages. It is possible that Ministers expected too much of the TECs.

Jones argued that TECs should not have been established if their remit was to manage mass unemployment. He quotes a representative of the Industrial Society as saying:

YT (Youth Training) was always under considerable criticism because it never got to grips with real training – it looked as though it was an occupational filler and it was a way of getting young people into something that was almost work. This had the pretence of giving them skills but we (the trainers) all knew that YT was not real work and it didn't guarantee employment prospects. (quoted in Jones 1999:138.)

Clarke and Wall note (p56) that many employers in the construction industry saw no value in the TECs at all.

As it happened, young people participated in YTS because they saw the value of gaining experience, and YTS was better than the dole, but YTS did not lead to jobs. Sawden et al (1982) and Jones (1984) both note similar difficulties in matching placements to young people in time, space and desired work, and getting young people out of the 'secondary youth labour market' – low paid, unskilled high turnover jobs – into the better paid jobs with better conditions and a greater level of attachment. YOP and YTS duplicated a problem, rather than alleviate it, as what

was necessary, a single opportunity providing both practical work experience and off-the-job training, turned out to be very difficult to organise. One reason was that it can take at least a year for a skilled craftsman to acquire and demonstrate the knowledge and understanding which gives the self-confidence of genuine knowledge, and it really does take at least three to four years to become properly 'skilled' (Millington 1990:123) and neither YOP nor YTS was prepared to wait that long.

Lee et al remark similarly "we saw little prospect from our case study that YTS could in itself bring about a radical improvement in the life chances of the bulk of young people recruited to it at that time. On the contrary, much of our fieldwork suggested to us that the YTS year, combined with other government measures, is not only lowering wages of young people, but also, through the in-market experience lowering their expectations as to what they can earn. Nor do we see YTS as a solution to the skill shortages which are said to hamper the growth of the economy and hence of good job prospects for young adults in future." (Lee et al 1987:156.)

The comparison with the New Deal (Chapter Five) is that the New Deal does not pretend to be a craft training course: it is a way of getting into work, and those ways can be made to lead to craft training. New Deal does not pretend that it can train people up to NVQ Level 3 in six months, for it cannot, but learners can be filtered through by their Tutors to such a level. YTS did not comprise craft training, and was no more than cheap labour.

Thus, a potentially valuable scheme was vitiated because the emphasis on rapid acquisition of a qualification and the necessity of a trainee to gain some form of employment are characteristic of adult training schemes aimed at the unemployed. TEC figures for adult construction trainees in Manchester in the early 1990s showed that 90% of the trainees failed to gain subsequent employment after 13 weeks (Clarke and Wall 1998:81.)

The reason for the failure of Conservative training schemes was that the aim was to do it all cheaply, which led to low quality training, and a concentration on clerical, business administration and retail, at the cost of high skill training associated with engineering and allied occupations (Jones 1999:152), coupled with a belief on the part of the Conservatives, as this study has shown, that the number of jobs

depended on the low level of the wage, not the quality and value added of commodities being produced. Despite their rhetoric, the Conservatives had no political economy of wealth creation. The consequences were that while those who were able to acquire the skills to obtain the office and managerial work that was available were enabled to enjoy a good life, those who were not so fortunate were simply left behind, disabled, unable to share in the wealth of England, neither able to get the unskilled work that used to be available, nor to upskill to try for the new jobs that came into existence, but were condemned to Beveridge's evil 'Idleness.'

5.6 Incentives and De-Regulation

We need to strengthen incentives, by allowing people to keep more of what they earn, so that hard work, talent and ability are properly rewarded (Sir Geoffrey Howe)

Reductions in taxation motivate new business and improve incentives to work. They are the principal engine of the enterprise culture on which our future prosperity and employment opportunities depend.

Excessive rates of income tax destroy enterprise, encourage avoidance, and drive talent to more hospitable shores overseas. As a result, so far from raising additional revenue, over time, they actually raise less (Nigel Lawson, both quoted by Healey, 1993, Ch 8).

The Conservative argument here was to improve the supply side of the economy, by changing the relative processes and incentives to workers, savers and entrepreneurs. The idea was that the relative costs of leisure and work, affected by changes in income tax, would influence the decisions of individuals about how many hours of work to offer. Changes in company taxation will influence the type and pace of capital accumulation.

Davidson et al argued (1993:164), that for most of the 1980s, government policy did what it was supposed to do for the wrong reasons. Most of the tax changes of the early 1980s, for instance raising the standard rate of VAT from 8% to 15%, and the indirect tax changes of the 1981 Budget, reduced the net income of the majority of working households, forcing them to work more hours in order to maintain their income. The effect on high income households was perverse. They experienced a

sharp rise in after-tax income, and via the 'income effect,' that is to say, more income relative to their projected purchases, experienced a *disincentive* to work. It never occurred to Conservatives that high income earners might choose to substitute leisure for work. Davidson et al concluded that to abandon demand-side policy entirely and rely exclusively on supply-side effects is more an act of faith than sound and measured economic judgement, based on empirical evidence.

The existence of any empirical evidence that Conservative tax policy would improve incentives to work was the subject of Brown's (1983) study. Brown questioned whether it was correct to apply such a model to professional people, such as doctors, lawyers, or University Lecturers whose pay does not change with the hours they work, and who, moreover, might not be motivated by money. Brown pointed out that hours of work can be measured, but not 'effort'. He questioned whether the Government should measure individuals or households. He wondered whether people are even free to determine their own hours of work, or whether hours of work are determined by the employment contract. He argued that a senior manager or professional might not even admit to being 'disincentivised' by the level of taxation. Finding no empirical evidence to support Conservative policy, Brown observed (1983:81) that while it would be unwise for policy-makers to assume that labour supply is not responsive to tax changes, it would be equally unwise for them to assume that they knew what the response would be.

The Conservative fetishisation of the labour market was interrogated by Pond (1994) who was concerned to demonstrate that the underlying justification for much Conservative policy in the 1980s was the notion that there is a trade-off between quantity and quality of jobs, and that this justification was historically, ideologically and geographically specific and mistaken. Pond contended that the Conservatives never understood that the undervaluation of any factor of production would lead to its inefficient use. Employers, in Pond's view, have no incentive to invest in wages, training or quality jobs if labour is cheap and readily available. The Conservative consequences were low wages, low productivity, long hours, high male unemployment and employment growth of only 3% between 1970 and 1992. In Pond's view, the consequence of economic uncertainty is lack of consumer confidence, which is essential for economic recovery. Pond's question was, how is a

person to spend their money when they cannot be certain of being in employment next month.

The Conservative consequences were reinforced by the 'de-regulation' agenda. The effects of labour market de-regulation are that employers become free to compete on the basis of low pay and minimal labour standards, with only social security setting an effective floor to income in the non-unionised sectors of the labour market (Deakin & Wilkinson 1994:170). These non-unionised sectors are also the ones where the substitution of tax rebates and social security benefits for wages were most likely to take effect. Government tax policy exacerbated the resulting dispersal in earnings and widening of inequalities.

As employment regulation is progressively withdrawn, the argument continues, the pressure on social security to subsidise low incomes is increased, to the point at which family credit and tax rebates substitute for wages. Hence, the state structures the labour market, by shifting from maintaining minimum standards to subsidising low pay, which equals low skills, low value commodities and services. Low pay represents a subsidy to firms, which is passed on to consumers in the form of lower prices, or, in the public sector, lower taxes, and means that firms do not have to compete in the markets on the basis of quality products, but can instead rely on low wages to maintain their profits. Firms rely on low pay to contain their costs, and therefore cannot cope with innovation, or foreign competition. The long term cost is a long tail of low paying firms and industries, continued decline in international competitiveness and renewed vulnerability to recession and structural unemployment (Deakin & Wilkinson 1994:202).

5.7 The Minimum Wage and Wages Councils

Trade Boards, or Wages Councils as they became, were set up in 1909 under the aegis of the then President of the Board of Trade, Winston Churchill, in order to protect workers in four trades only: tailoring, paper box making, chain-making and lace and net finishing, and were later extended to other trades. The aim was to combat a social evil resulting from low wages, long hours and bad conditions of work, which constituted 'sweating.' The aim was to set, by means of the boards, as agents of the State, but independent of it, a set of rules which would establish for each industry, a set of minimum standards of pay and conditions, above which

employers were free set pay as they wished, but below which they could not go: a floor beneath which no worker would be allowed to fall. The system was not contested by the Conservatives at the time, nor in the immediate post War era (Guillebaud 1958, who describes the system in detail.)

Churchill himself described the reasons for his action:

It is a serious national evil that any class of His Majesty's subjects should receive less than a living wage in return for their utmost exertions. It was formerly supposed that the working of the laws of supply and demand would naturally regulate or eliminate that evil...But where you have no organisation, no parity of bargaining, the good employer is undercut by the bad and the bad employer is undercut by the worst...where these conditions prevail you have not a condition of progress, but a condition of progressive degeneration...the degeneration will continue in a sort of squalid welter for a period which compared with our brief lives is indefinite (Churchill, W.S. House of Commons, Hansard 28 April 1909, quoted by Low Pay Unit 1983: 5)

The argument concerning minimum wages is in fact an old one, and relates to arguments concerning the theories of Malthus and Ricardo, and arguments concerning productivity and efficiency of labour, and general principles of wage-setting. J.A. Hobson argued that:

Our evidence leads to the conclusion that, while a rise of wages is nearly always attended by a rise of efficiency of labour and of the product, the proportion which the increased productivity will bear to the rise of the wage will differ in every employment. Hence, it is not possible to make a general declaration in favour of a policy of high wages or of low wages.....it is, indeed evident from the aggregate of evidence that no determinable relation exists between cost in labour and wages for any single group of commodities...Every rise in wages, leisure and the general standard of comfort will increase the efficiency of labour; every increased efficiency, whether due directly to these or to

other causes, will enable higher wages to be paid and shorter hours to be worked. (Hobson 1926: 352-377)

The system of wages councils, and the principle of minimum standards without a National Minimum Wage did not come under attack until 1982. The Conservative government withdrew from the ILO convention that committed them to maintaining minimum standards of pay and conditions as soon as they were able, in 1985, weakened the Wages Councils by the Act of 1986, and abolished them in 1993.¹⁰ The Inspectorate which was supposed to enforce the law was weakened as the number of inspectors was cut, the number of inspections fell and the proportion of establishments and the proportion of employees underpaid increased. Indeed, a Conservative Government, committed to a platform of law enforcement, ignored Parliament and rendered the system ineffective by turning a blind eye to illegal underpayment, and by starving the Inspectorate of resources needed to enforce the law (Low Pay Unit 1983:23). Low pay itself is a problem affecting, in the estimate of Pond & Winyard (1983) some 6.5 million adults in 1982 – one third of the adult workforce.

The Conservative rhetoric justifying their actions makes an interesting case all of itself, and a great change in Conservatism, indeed, what it is to be a 'Conservative'. Harold Macmillan welcomed a strengthened Fair Wages Resolution in 1946 as 'the protector, certainly of the standard of living of the workers, but also of the standards of competence and honour of industry as a whole,' while Iain Macleod enjoyed the support of the whole House in introducing a reformed and strengthened system of wages councils in 1959, whereas, in 1982, the Secretary of State, Norman Tebbit, argued that economic efficiency is improved if all controls on wages are removed (Low Pay Unit 1983:12).

In July 1981, the Chancellor of the Exchequer opined "It is the case that the machinery of wages councils has operated in some cases to price people out of particular jobs. In particular, these councils have done damage to the opportunities of young people" (Hansard, July 1981, vol 9 col 901-902, quoted by Low Pay Unit 1983:35). "It is self-evident that wages are ultimately determined by the ability of employers to pay, which is, in turn, limited by the prices which, in the light of home

¹⁰ Details can be found in Low Pay Unit (1983), Bryson (1989), Pond (1985, 1988)

and overseas competition, they are able to obtain for their products. There is therefore, little doubt that the higher the level at which councils set minimum wages the fewer people will be employed" (Mr Norman Tebbit, Hansard, 6/7/1982, col 139, quoted by Low Pay Unit 1983:39). "People have said they do not want to go back to Victorian sweatshops. Would we not be better off if the country was one sweatshop, hard at work instead of having three million unemployed?" (Mr Peter Thurnham, MP, House of Commons, March 1985, quoted by Pond 1988:8). "Frequent studies have shown in the past that wages councils tend to decrease employment" (Mr John Cope, Minister of state, Department of Employment, Hansard, 14 March 1989, col 275, quoted by Bryson 1989:21).

The Government's overriding concern is to promote employment and to remove any excessive burden on employers. The present system inhibits the creation of more jobs and this is especially true in the case of young people. The present power of Wages Councils also undoubtedly imposed complex and unnecessary burdens on business. (Employment Secretary Tom King, Employment Gazette, August 1985, p291, quoted by Machin and Manning, 1994:320.)

If you talk of full employment, then you should say what you mean. And then you should explain how that could possibly square with the minimum wage and the Social Chapter, which sound comforting but are deadly to jobs. (John Major, Prime Minister, Conservative Party Conference, 1994).

Officials in the Department of Employment have estimated that a national minimum wage set at half male median earnings will result in the loss of about three quarters of a million jobs. This estimate uses earnings information from the new earnings survey and information on the relationship between real wages and employment set out in the published Treasury paper "The Relationship Between Employment and Wages: Empirical Evidence for the United Kingdom" (HM Treasury, January 1985).

A detailed explanation of the method was placed in the House of Commons Library on 2 February 1990—"Estimating the Effect of a

National Minimum Wage". (Prime Minister, *House of Commons Deb*
15 January 1991 vol 183 cc488-9W , in answer to question from Mr
Chris Smith.)

Thus, as this study has noted of Lawson's Mais Lecture of 1984, and of the respective memoirs of Thatcher (1994) Lawson (1992) and Howe (1993), the Conservatives committed themselves to the view that the higher the price of a commodity, and labour is a commodity, the fewer will be demanded, and therefore, the higher the price of labour, the fewer jobs there will be. As Card and Krueger (1995 Ch 1) put it, it has been an orthodoxy for 50 years that increases in the Minimum Wage reduce employment. It is simple introductory textbook economics. An increase in the Minimum Wage lowers the employment of Minimum Wage workers, and that a minimum wage destroys jobs is one of the clearest and most widely appreciated concepts in the field of economics. If this is wrong, the textbook is called into question. (The theoretical details are as in this study, Ch 1.)

However, it is necessary to note that the views of the economists are based largely on abstract, theoretical deductive reasoning, not systematic empirical study (Card and Krueger 1995:9). But, in the case of the minimum wage, the model can be empirically tested. For example, is it true that employers cannot choose the wages they pay, or is it the case that they might need to raise the wage to fill 'hard to fill' vacancies? Do higher wages lead to a more rapid recruitment rates and lower quit rates? Do different fast food eating houses pay different wages? Does an increase in the minimum wage always lead to employment losses, or can it lead to employment gains, as a monopsony model might predict? Card and Krueger point out that empirical evidence that increases in a minimum wage reduce employment is conspicuous by its absence, despite the fact that both the US and Australia have had minimum wages in place since 1912, and Wages Councils have existed in the UK since 1909. "The consistent finding of weak or negligible employment effects in both the US and elsewhere suggests that the problem may lie with the textbook model, rather than with the evidence" (Card and Krueger 1995:272.)

Moreover, Bryson (1989) found almost no support at all from even employer organisations in favour of abolishing Wages Councils, the Government case was supported by no empirical evidence, and quotes the British Independent Grocers as

saying "there is no evidence in the consultation document (seeking views on wages councils, abolition of), or elsewhere for that matter, to support that contention (that wages councils cost jobs). There is evidence, however, that the number of employees in the service sector has increased" (quoted by Bryson 1989:21), and that "if wage rates were forced down even further following the abolition of wages councils, the unsatisfied demand for labour would undoubtedly increase because potential full-time employees would choose to stay unemployed rather than work for poor wages."

Pond (1985:11) quotes the Treasury study quoted by John Major above as admitted to be flawed by the team that wrote it:

The simulation results depend critically on a system of adjustments which is entirely arbitrary and has no empirical basis. Without this system of adjustments the model would have produced a smaller rise in company sector expenditure on stock building and employment, and on dividend payments, and hence a smaller rise in unemployment.

The empirical backing for this system is not strong; after all, the main reason why such effects do not appear in the individual expenditure equations is that empirical research has been unable to identify well-determined links (The Relationship between Employment and Wages, HM Treasury, January 1985, quoted by Pond 1985:11)

In fact, Pond goes so far as to allege (p15) that the Department of Employment itself deliberately presented its evidence in a distorted and misleading way, suppressing embarrassing evidence, delaying publication, wrongly attributing cause and effect, improper use of data and flawed methodology, ignoring evidence, such as import and export penetration. Such practice, would, it might be thought, constitute 'policy-based evidence making.'

The Dickens et al study of 1999 found strong evidence that the effect of minimum wages in Great Britain was to have compressed the distribution of earnings, and no evidence that they have reduced employment, which cast severe doubts on claims that the abolition of Wages Councils in the 1993 Trade Union Reform and Employment Rights Act could be justified on the grounds that they traditionally hindered employment. Machin and Manning (1994) found evidence that a dramatic

decline of the toughness of enforcement of the law contributed to widening wage dispersion (the rich became richer while the poor became poorer), and no evidence of an increase of employment resulting from the weakening bite of Wages Council minimum wage rates. On the contrary, consistent with the finding of US studies, minimum wages had either no effect, or a positive effect on employment. Furthermore, Government policy left the UK the only Member of the European Community with no formal or implicit system of minimum wage legislation in operation.

The consequences were to remove all kinds of protection from employees numbering some 2.5 million. This group comprised some of the most vulnerable in society: women, ethnic minorities, part timers, home workers, young workers, in very small enterprises, already low paid, none of whom were organised, or indeed, organisable into Trade Unions. Clearly, with regard to the work they did, the pay they earned for it, the conditions under which they worked, the hours they worked, their right to share in the wealth of England, even the protection of the law was not afforded to groups of already vulnerable and low paid citizens. Thus is created a society in which many are left behind.

5.8 Older Workers

This short section will observe how an especially vulnerable group, older workers, fared under the Conservatives, in view of the fact that older workers will be given prominence in Chapter Five of this thesis. Many managers perceived unemployment as a sign of personal weakness, and did not wish to recruit from the very categories they had been persuading to retire (Casey & Wood, 1994:382). As a result, arguments about trainability were used not only to dismiss older workers, but also to refuse to hire them at all. There were, in the 1980s, few age-related pay systems. The concept of 'trainability' itself reacts against older workers, because they are presumed to be untrainable. Older workers are perceived as sicker than younger ones, although it is generally the case that only workers over 60 are sicker, and that older workers are sick less often but for longer. Even employers who had equal opportunities policies in place regarded ageism as acceptable (Casey & Wood 1994:386). The Conservative Governments regarded the employment contract as a

private matter between employer and employee, and did not accept that it could or should be legally constrained, and even connived at ageist policies:

Through the operation of its own network of employment offices, the government has effectively participated in the perpetuation of the practice of excluding applications from those outside predetermined age ranges, since these offices have accepted employers' vacancy notices and respected the preferences they contain (Casey & Wood 1994:387).

As an employer, the Conservative Governments did no more than lift their own age limits from mid 20s to mid 30s or early 40s, helping the middle aged, but not older workers. The State as Employer, simply followed standard practice, and made no attempt to set an example. Government policy was to ensure a supply of manpower and accept the demands of employers to relax regulations, and not to promote the rights of any particular group (Casey & Wood, 1994:389).

The Institute of Personnel Management reported in 1993 that the position of older workers was becoming more precarious not only in the UK, but also in France, Germany and Holland, which all followed a passive policy of encouraging older workers to leave the labour market. However, this situation did not obtain in Sweden. IPM listed a number of practices government could follow, in the field of ascertaining and spreading best practice in the fields of recruitment, training, gradual retirement, and dispelling myths, stereotypes and prejudice, and observed (1993:80) that, unlike the US, Canada and France, there was no legislation that sought to limit discrimination based on age. In 1994, job advertisements could still specify age limits above which applicants would not be considered. "About two thirds of the fall in the share of older people in the labour market is due to the way policy, attitudes and practices in work have combined to facilitate this" (IPM 1993:107).

5.9 The Restart Effect

During 1986, the Government introduced a new system to review periodically the position of people who continued to be registered as unemployed. The system was known as Restart, and its central feature was an interview between the claimant and a Restart counsellor, although the term 'counsellor' was later dropped. The

programme ran from 1986 to 1992. It was discussed by Price (2000:243), Anderton (1997) and was the subject of a study commissioned by the Employment Service itself, carried out by White and Lakey (1992) under the auspices of the Policy Studies Institute. White and Lakey were set the task of answering two questions: what were the effects of Restart, and how were its effects achieved? Two thousand jobseekers were interviewed. Of these, half had attended the programme, and half had not. There was thus a control group, to which those who had attended the programme could be compared. White and Lakey used survey interviews, administrative records of the ES, and national computerised databases. The research concentrated on the effects on individuals, and the field work was performed over 1989 and 1990.

White and Lakey found that this type of counselling did lead some unemployed people to take up employment, but that many jobs obtained through the programme were of short duration, leading to renewed spells of unemployment. They also found no evidence that Restart affected the occupational level, wages or stability of employment in the jobs obtained, in any direction. Restart did reduce the time taken to find a job, but the study was unclear about the average time spent out of work. White and Lakey could find no evidence of different effects on men and women, nor did the effects appear to be age-related. Nor could White and Lakey find evidence that the programme had more or less effect than qualifications, marital status, presence or absence of children, nor local labour market conditions (White and Lakey 1992:108). The programme appeared to be just as effective in moving people off the unemployment register as in getting them actually into work. White and Lakey also found that Restart did not depend on any one effect. It seemed to work by increasing movement into work or training, or, into non-employment, non-claiming status. There were indications that attention was paid to those at a disadvantage in the labour market, for example, disabled, sick, older workers, those with little labour history.

White and Lakey found that 40% of the new jobs found through Restart were short-lived, average wages were little more than half the national average for manual workers, and the occupational distribution of the new jobs was skewed away from higher occupations and towards lower occupations, all of which is consistent with previous research in unemployment (White and Lakey 1992:115). White and Lakey

do argue that even a short lived job may be better than no job at all, as it may be a stepping-stone towards a regular job at a later stage. There was no evidence that Restart itself fostered short-lived jobs. However, the prevalence of short-lived jobs constrains the potential achievements of a service such as Restart. Conditions of greater employment stability would tend to have greater effects on individual employment.

Anderton (1997) argued that Restart pushed the long term unemployed into attending interviews by compulsion by threatening to end benefits for those who either refused a job or refused to attend an interview. Anderton also argued that Restart persuaded the long term unemployed to attend interviews for 'hard to fill' vacancies, but did not help people compete more effectively for jobs by enhancing their human capital (Anderton 1997:16). Anderton's article argued further that during the boom years of 1986 to 1989, when the unemployment rate fell from 11% to 5.5%, the number of vacancies did not rise; it seemed that as vacancies arose, unemployed people were "packed into them, like sardines into a tin." Indeed, it was more likely that either Restart pressurised the long term unemployed into taking lower paid jobs than they otherwise would, or pushed them into economic inactivity rather than enhancing their capacities by training (Anderton 1997:18.)

6. CONCLUSIONS

This Chapter has been concerned with work, from the point of view that if every adult citizen were able to support themselves through useful work, we would have no need of 'Welfare.' To paraphrase Churchill, it cannot be right that millions of Her Majesty's subjects can find no useful work to do, nor to be able to support themselves through performing such work.

In this light, this chapter has examined what Governments can do to enable citizens to find useful work to do. A distinction has been made between active labour market policies, which comprise ways of bringing citizens into work, and passive policies which comprise ways of keeping them out. It is possible to shut citizens out of the labour market, and compensate them for being so shut out, and it is also possible to fail to compensate them. It is also possible to argue that a citizen who has been excluded from the labour market has been excluded from an important area of life chances and self-realisation, which would be disabling, rather than enabling.

With specific regard to Conservative policies, this chapter has suggested that the Conservatives were taken by surprise by the rise in unemployment after 1980, and found themselves ill-equipped in terms of policy response to cope with a situation they had failed to anticipate. When Conservatives did respond, their actions were based on an economic doctrine that was not in accord with how the labour market actually 'worked' and for which empirical evidence was lacking.

This chapter has discussed how labour markets do actually 'work' and has noted the essential insight of Keynes: employers do not hire workers because they are cheap, although they will do so if the Law allows them to do so. Employers hire workers because they have work for them to do (the point of our story about Farmer Brown getting his potatoes picked). When employers hire workers, they have to take into account a myriad of factors. They have to consider the nature of the work to be done, the characteristics, skills and attitudes necessary to perform that work, the expectation of being able to sell what they have produced at a profit, in addition to what the competition is doing. All this is before they have addressed issues of efficiency, profitability, and whether to aim for high added value created by highly skilled labour, or low added value commodities, created by low skilled, cheap labour.

It is thus true that labour markets are far less predictable or even comprehensible than much economic theory has claimed, especially under conditions of volatility and crisis, and it is impossible to know in theory what may or may not work in a specific labour market at a specific moment in space or time. This does not make rational policy-making impossible, but does suggest that governments need to develop wide varieties of policies, and proceed on a basis of trial and error.

Seen in this light, on the basis of what leading Conservatives said and did in the 1980s and 1990s, it has been argued that Conservative labour market policies were based on spending less public money, and on the idea that 'if workers would only work for lower wages, there would be more jobs.' The first proposition is a proper choice for governments, if the implications are spelled out to voters; the second is a theorem derived from a proposition of neo-classical economics for which empirical evidence is from scarce to non-existent.

Thus, this Chapter has detailed the results of the Davis and Mason study, and found a picture of local initiatives under-funded and under-supported both at national and

local level, diffuse and complex, carried out by a multiplicity of agencies. Youth training became not 'training for employment' but mopping up unemployment, carried out with minimum expenditure, aimed, often unsuccessfully, at moving young people into low wage, low skill or unskilled work, cheapening young labour. The apprenticeship scheme was allowed, even, encouraged to collapse. The incentive and deregulation policies were based on a failure to understand what in fact does motivate people to perform, and based on no empirical evidence. The case of the Wages Councils was tragic. Here were some of the most vulnerable citizens in Britain, and the Conservatives deliberately withdrew from them even the protection of the law with regard to the wages they earned and the conditions under which they worked, and this was done in the face of the evidence that existed, to the point where Chris Pond, of the Low Pay Unit, accused the Conservatives of deceit, not in the proud traditions of One Nation Conservatism. Older workers were discriminated against, to the point of being intentionally placed on Invalidity Benefit, reducing the unemployment figures, and told they should not expect to work again, "one of the most socially irresponsible aspects of how economic restructuring was managed at the time" (Horton and Gregory 2009:68). The Restart effect seemed to have been no more than a way of moving people off the unemployment register, without being in any way clear about in what direction people moved; nor was Restart concerned with building, or rebuilding human capital.

It has been argued that Conservatives held to a theory of labour markets within which they were themselves imprisoned, disabled. Their theory comprised abstractions, supply, demand, price, quantity from which Conservatives were unable to conceive real, concrete determinations of jobability (whether a job was worth doing), employability (whether the worker could perform the job, or needed further training), and combinations of valorisation, wealth creation and performance which would have enabled them to interrogate the concepts of supply and demand themselves to ask 'supply and demand of what?' Consequently, Government policy, far from enabling citizens to realise their aspirations, disabled many citizens and made aspirations for many – the young, old, ill, ill-educated, unqualified, many women – unattainable.

It can be inferred that if a government wishes to attack the problem of unemployment, a number of factors have to be in place. Firstly, Government must

itself accept that the level of employment is itself a viable object of government policy, as the Conservatives did not. Secondly, government must commit itself to 'employment' as the object of its policy, rather than, as the Conservatives did, 'inflation' or 'unemployment.' It is easy to remove whole categories of citizen from the labour market, but it is much harder to persuade categories of citizen to enter the labour market, and harder still to persuade employers to hire different categories of citizen. Thirdly, government must start with a correct understanding of how labour markets actually function. This Chapter has argued that the Conservatives did not have this correct understanding. Governments must understand who employers will hire, why they hire them, and what they hire them to do. Only from this understanding can a correct training/manpower policy proceed, in terms of equipping workers to succeed in the labour market that exists, or can be brought into existence. Fourthly, governments must understand that mere creation of jobs may not be enough; the object may just as well be creation of wealth, which all citizens can aspire to share. In other words, Governments must encourage and discourage the correct sorts of work.

Whereas Chapter Two of this study conceptualised the Enabling State, this chapter has conceptualised its opposite: the Disabling State. This idea can best be explained by using Robert Reich's categorisation. Britain entered the 1980s with the three classes noted by Reich: the traditional foot-soldiers of Fordist capitalism; the class of service workers, of various classes and grades; and the class of symbolic analysts and professionals. (All symbolic analysts are professional people, but not all professionals are symbolic analysts.) That the symbolic analysts and professionals took the lion's share of the rewards of British capitalism is not new. What happened in Britain in these years may be. It may be true that the ranks of symbolic analysts and professionals began to expand, especially in the late 1980s, as young people sought Further and Higher Education, a demand which was, to an extent, met, as the universities expanded. However, there have been in Western Europe classes of skilled artisans, who, while not aspiring to HE, still stand above the foot-soldiers, and provide a status to which the foot-soldiers or their children can aspire, and which is achievable. The troubles of this class of artisans, whose votes ironically, might have been the ones that put Thatcher in power in 1979 and 1983, and the attempts on the part of the Conservatives to eliminate the craft apprenticeship, deprived the foot-

soldiers of opportunity to improve themselves and share in the wealth of England. To the extent that these foot soldiers and service workers were left in low-wage, low-skilled work, without a new definition of skill to which they could aspire, to that extent were they disabled from sharing in England's wealth, and thus, victims of a Disabling State. As the rest of Britain moved forward, millions were simply left behind.

In the light of the evidence which was presented in this chapter, namely, the real content of the training agenda revealed by Mason and Davies, King and others, and the story of YTS and the Wages Councils; in the light of the beliefs of Lawson and Thatcher concerning the labour market; considering the ambivalent nature of Restart; the nature of the incentive and deregulation agenda; considering the plight of older workers; in the light of the Blanchflower and Freeman review, it can be argued that what the Conservatives did achieve was summarised by John Stuart Mill in 1871: if wages fall, the state of the labouring classes will be reduced to an inferior position, while that of the employing classes will be improved, since they will have more profit (Mill 1970:72.).

Be it also noted that whereas in Chapter Three of this study, the worker appeared as subject, author of his own life-story, and it was possible to discuss working-class voices, in Chapter Four, this has not been possible. In Conservative discourse, the worker has appeared only as object: one whose labour is demanded, but is never supplied. The real, living worker lies only in the shadows, in the background, whose life story is determined for him by abstractions of supply and demand. In the next chapter, this worker will re-appear as subject, author of his own life.

CHAPTER FIVE: THE ENABLING STATE: POLICY AND PRACTICE. THE NEW DEAL AND SKILLS FOR LIFE

1. INTRODUCTION

Chapter Two studied the New Labour enablement/ Welfare to Work project on the level of theory and rhetoric; here, in Chapter Five the focus will be on the empirical level, of how individuals are 'enabled', what they are enabled to do, and the barriers to enablement. It will present a discrete case study, chosen to illustrate problems and successes across a spectrum of policies. Given the central place of work in Labour thinking, and the role of work as providing bases for participation in the life of the community in which one lives, 'citizenship' proper, the aim of the chapter is to provide a case study of 'Enablement' in practice at the level of the Jobcentre, training provider and individual in seeking work, as the best form of welfare. Following on from Chapter Two, this chapter will, therefore, focus on the endeavours of the Employment Service, (now Jobcentreplus), individuals and civil society organisations to enable individuals to seek and obtain and keep employment, to break down barriers to employment. It will focus on one particular client group, those aged over 50. The reason for this is that, as noted in the Introduction to this study, 50+ is underrepresented in the literature, and also all the barriers faced by younger clients appear in the experiences of older ones, because these barriers are exacerbated by ageism and stereotyping. It will show just how difficult 'Enabling' is, as we describe the nature of the problems as New Labour have inherited them, and the nature of the attempted solutions.

The chapter uses official and semi-official literature to study the problem of enabling individuals from the point of view of Government agencies: how do these agencies see their clients. The participant observation studies how individuals see their own difficulties, and how they can, with the help available to them, overcome their barriers, exorcise their demons, and obtain work. It was noted in the Introduction to this study, how New Deal studies are hampered by the 'endogeneity' problem, and the Observation is designed to get behind the official views and see life from the

point of view of the client, the jobseeker. The Chapter will begin by noting some points from the history of the Employment Service. The Chapter will continue by using the literature commissioned by the Department for Work and Pensions (DWP) and the Department for Education and Skills (DfES) (before 2001, the Department for Education and Employment , DfEE) and the former Department of Social Security (DSS) to study the main client group, 50+, in order to elucidate the barriers faced by all the unemployed, and this group in particular. In other words, it will assess what the DfES and the DWP actually know. It will go on to show how the role of Personal Advisors, Working Tax Credit, Training Grant; and the nature and role of the Skills for Life agenda appear as key factors in enabling out-of-work people to overcome the barriers between them and the life they desire and take their place as citizens participating in the world of work. The chapter will continue with a participant observation carried out by the author in the summer of 2008, investigating the nature of the Skills for Life regime, at a training provider in a Midlands town in England, in order to show how individuals are enabled at an individual level – practical examples of how to enable, based on real diagnosis of what the barrier actually is. It will assess what the DfES and DWP do not, or cannot know. It concludes that the barriers between would-be worker and work are many and varied, and can only be overcome by diverse, personalised programmes.

The point is that Unemployment and the unemployed appear in this study, but so do employment and the employed. Like Flanagan (1991:2) we do not share the belief that the unemployed are helpless victims, dolts who have suffered much, and are incapable of affecting their destiny. They are not, or need not be, political cripples, symptoms of economic decline, symbols of injustice, objects of administrative development, statistics, nor are they examples of stoic fortitude. They are real, active agents, seeking only tools to take control over their own fates. The question is, how to identify and gain mastery of these tools.

Nor have 'the unemployed' ever been a constant and given group possessing a common experience; they have not shared any sense of solidarity. They are, and have always been, a diverse group: there are those who have been out of work between jobs, those who are unfortunate enough to meet with a trade recession, those who were part of an industry in decline; there are those who are out of work

only for a few weeks, a few months, some for years. Individual experiences of employment and unemployment vary enormously.

But it is true that the unemployed are defined through a specific relationship with the State, and this relationship in part shapes itself in reaction to the activity of the unemployed, which this study is, in part, concerned. The aim of this chapter is to forsake the realm of theory, and investigate how, by acquiring certain skills, and with certain specialised help, the unemployed can come to overcome barriers and to take control of their own fates, as citizens in modern Britain.

2. THE NEW DEAL

2.1 The Employment Service

Before discussing the aims of the Labour Government's programmes, it will be useful to set them in the context of previous employment programmes in order to show more clearly what is novel about them, and how the nature of the new programmes reflects the altered social philosophy represented by the goal of creating an Enabling State.

Price (2001) notes that there are three ideal types of Employment Service (ES), which have struggled against each other ever since its formation in 1909. There is the 'labour market transparency' model, primarily devoted to the organised spreading of information, and the close, continuous and automatic adjustment of existing supply and demand for labour over the widest possible area. There is the 'benefit control' model, where the ES becomes simply 'that office which dispenses benefits.' And there is the social welfare model, whose concern is to provide individual help and advice to people facing problems in the labour market. There have always been tensions between these models, and different models have prevailed at different times.

For instance, Price quotes a report of 1979 which describes the ES as having moved from a run down service often poorly regarded by both employers and job seekers to a service which had earned the respect of both, and was a stronger and more positive force in the labour market, carrying out a normal activity in businesslike conditions with the tools to do the job. On the other hand, Price describes the ES in the 1980s as being regarded by many workers and employers as catering primarily

for the unemployed, and as having a poor selection of jobs, and of workers seeking them, creating the need to remove the 'dole' image.

In the light of these conflicts, which can only be resolved by the Government of the day, it might be possible to interpret the 1996 decision to locate ES within the DfEE rather than the DSS as accentuating a move away from association with the dole and benefits towards associating employment with education. The aim of ES in this context (1996 onwards) has been to create an optimistic, creative, enterprising ethos, aimed at getting the unemployed back into work at the earliest possible moment. Hence, the Conservative Government replaced 'Unemployment Benefit' with 'Jobseekers Allowance' in 1995. The Labour Government accepted this decision, showing some continuity with its predecessors, but Price (2001:311) argues that since 1997, the concept of 'welfare' has itself broadened from the claimant unemployed to encompass other groups, such as single parents, those on Incapacity Benefit (IB) and there has been a step change in tone and approach.

Thus, it can be shown how the nature of the Employment Service itself, and what it is told to do by the 'Ministry of Work' or the 'Ministry of Unemployment' can itself act as barrier to the unemployed, or over-comer of barriers.

2.2 The Mechanics of the New Deal

The basic concept of the New Deal is explained by DfEE (1998). This introduces Employability, which is here defined as the capability to gain employment, maintain employment and obtain new employment when required. At the individual level, this is a matter of assets in terms of skills, knowledge and attitudes, the way those assets are deployed, presented to employers, and the context within which people see work, in terms of personal circumstances and labour market environment. The capability involved is to move self-sufficiently within the labour market, and to realise potential through sustainable employment. The crux is not only the possession of skills, but the capacity to exploit them, to market and sell them. This in turn entails career management skills and jobsearch skills: presentation of a CV, references, testimonies, interview technique, work experience. Thus, getting a job is itself a job, involving skills.

Thus the DfEE lays down an agenda: for the State, to raise the skill profile of citizens; for employers to develop staff; for individuals, self-development; and the issues of public policy will be to identify priority groups, gaps, work out how to fill gaps, identify 'Best Practice.' This agenda constitutes 'enabling.'

ES (2001) also introduces also the concept of 'distance travelled', the idea that the success of the programme must be measured not only by what participants can do now, but by what they can do now compared with what they could do before they engaged with the New Deal. As will be noted below, in relation to Work Based Learning for Adults (WBLA), many Long Term Unemployed (LTU) are far from being able to compete in the labour market, but it might be possible to justify the programme in terms of progress along the route, if it were possible to measure additional welfare gains to clients.

We have noted, in Chapter Two, ever since Blair laid out the agenda in his first speech as Prime Minister, "Work is the best form of welfare, the best way of funding people's needs and the best way of giving them a stake in society", the active welfare state, the policy has been based on principles of "work for those who can, security for those who can't", to make work possible, make work pay. To this agenda, there are three dimensions: work and family life, in the form of, for example, maternity leave, paternity leave, new rights for part time workers, the National Child Care Strategy (not previously considered even as a legitimate aim of Government policy), and flexible working; area-based initiatives, such as New Deal for Communities, Employment Action Zones, Excellence in the Cities; and thirdly, the New Deal proper, of which there are seven programmes, sharing the same underlying philosophy, of supply-side measures to improve employability, enabling citizens to get into work (Millar 2000). The guiding principle has been that people have different needs, which require different solutions, in the form of personalised packages. As noted also in Chapter Two, one principle of the enabling State is that the State works with those who have needs to work out how to overcome barriers, and enable citizens to take charge of their own fates. The seven main programmes are:

Scheme and national starting date	Target group	Approx number in target group and original budget	Options
Young people April 1998	Required for 18 to 24 age group, claiming benefit for 6 months, earlier for some	400000 £2620 million	Personal advisor, subsidised employment training
LTU June 1998	Required for 25 to 49 claiming benefit for over 18 months	500000 £45 million	Personal advisor, subsidised employment, training
Lone parents April 1998	Voluntary for lone parents with children over 5, claiming benefit for at least 3 months	500000 £190 million	Personal advisor
Partners February 1999	Voluntary for partners of LTU, required if no children	200000 £60 million	As 18 -24, access to NDYP, personal advisor
Disabled people April 2000	Voluntary for those claiming IB related benefits	900000 £200 million	Personal advisor
ND50+ April 2000	Voluntary for those aged 50+ claiming benefits for at least 6 months, also partners of claimants	2 million £270 million	Personal advisor plus training grant, and employment credit

These targets are underpinned in terms of making work pay by means of measures to improve the transition to work in the form of the Jobfinders Grant, interview costs, Work Trials with no loss of benefit, and Benefits Run On (on getting a job, the claimant can still claim Housing Benefit and Council Tax Benefit for four weeks, so that bills for rent and Council Tax do not arrive before the second and third weeks' wage packets with which to pay them). Once the claimant is in work, there are measures to increase incomes in work: the National Minimum Wage, (NMW) £5.52 per hour in mid 2007; Working Tax Credit, (WTC) the 10% starting rate of income tax, (mid 2007), and National Insurance, and increased earnings disregards for lone parents and disabled people, meaning that these groups can earn more while still claiming some benefits.

As the DWP website (accessed 05/11/01) points out, "the New Deal is a key part of the Government's welfare to work strategy. It has been created to help unemployed people into work by closing the gap between the skills employers want and the skills

people can offer." It is based on local partnerships between employers, local authorities, training providers, Jobcentres, environment groups, voluntary organisations and others, all co-ordinated by the Employment Service, (ostensibly) tailored to the needs of individuals, based on quality, and one to one support from a personal advisor. The New Deal is itself a break with previous labour market programmes in that first, it incorporates a period explicitly designed to assist participants in choosing their routes through the programme, and secondly, for those aged 18 to 49, it is compulsory (ES 2001). This is a considerable programme, as 33% of New Dealers had no previous employment at all, and therefore very little human capital: no skills, qualifications, references, little literacy or numeracy, which need to be acquired (DWP 2001b).

All New Deal starts from an interview at the local jobcentre with a Personal Advisor whose aim is to support the client. It is possible to discuss skills, experience, job hopes, gaps in all these, and help suggested. For young people there are four options, these being regular employment, subsidised employment, some form of formal education or training, or voluntary work, probably on an environmental task force. Help with basic skills is available, nay, mandatory, if gaps in basic skills are identified as a barrier. The aim is work. There can be help with job search, applications, with a job search tutor, interview practice, courses of various types and duration to improve skills. Hutton (Industrial Society 2001) has described this as the definitive New Labour policy idea.

New Dealers can be divided into three types. The first is able, eligible citizens with a good work record and/or educational background. This group comprises some 10% of the whole. The second comprises those in with a chance: these are young people with few skills and low expectations, older people who have been made redundant and who cannot get back to work on their own. These comprise some 40% of the whole. The third type comprises those who have learning disabilities, alcohol problems, drug problems, anti-social behaviour issues. These comprise some 50% of New Dealers, and are the hardest to help, but are most in need of it, since they have many issues that must be addressed before they can be considered 'job ready.' Which the Employment Service deals with first can be considered by the metaphor of a house on fire: those who can run quickest will get out first, but those who run

slowest, or not at all, will not be allowed to burn (Sinclair and Westwood, Industrial Society 2001)

The next section will be devoted to a group which may, stereotypically, be thought of as one which might not be able to run very quickly, those aged 50+. However, these next sections also explain the size and nature of the problems faced by the DWP, and hence, the size and nature of the Welfare to Work programme, and why Enabling is so difficult.

2.3 Characteristics of the 50+ age group.

TUC(2005) has given good reasons why the 50+ age group matter, which is simply that there are more of them than formerly. By 2016, the number of people in the workforce aged under 50 will decrease by 2%, while the number over 50 will rise by 17%. There is a group of retired professionals with good pensions, and there is a group of former blue-collar workers who have been forced out of work, and who see no way back. It is this group that is facing poverty and social exclusion, and need to be enabled to find a way back, rather than left to manage as best they can, or cannot. This group (50+) do not have many things in common, but some factors are that, they are the least likely to have formal qualifications. It is not that they are less skilled, but that they began work when formal qualifications were less important than today. Moreover, for this group of former workers, the likelihood is that the longer they are out of work, the longer they are likely to stay out of work. 50+ workers tend to use fewer methods of job search than younger ones (less likely to use the Internet, for example), search less intensively than younger workers, but are prepared to accept just as broad a range of jobs, and more prepared to accept temporary work (McKay and Middleton 1998.) Older workers tend to become stereotyped: they are said to be greatly experienced, reliable, mature, loyal, but more prone to illness, prone to be inflexible, unable to learn, have lower physical strength (Jones 2000, Phillipson & Smith 2005). Yet there is no evidence that work performance declines with age before the age of 70, nor that performance declines after 70.

However, of those who have been asked, (in a survey by DSS, 1999) most respondents feel that retirement is a decision for the individual, for work is seen as positive, providing for, for example, companionship, sense of worth, value to society,

and is not just about money. Work keeps people young. Those who are keenest to retire are those who experience work as manual, drudgery, and mundane. Losing a job after the age of 50 is the 'end of life as we know it.' Older people can be very keen on learning, but older people do not always learn for fun, they learn because the learning has a clearly defined purpose and benefit. Independence is positive, in that it helps maintain an active, healthy life. But older people are not a homogenous group, and apart from their age have nothing at all in common; hence, there can be no single policy for older people. Older people care not about who delivers a service; it is outcomes that matter (DSS 1999, 1999b). However, older people often lack knowledge about the mechanisms available to help them back to work, caused by limited labour market awareness, and the fact that the Jobcentres often lack specialist and well-paid vacancies (DWP 2005d). The 50+ age group are not helped by a traditional welfare response which focuses only on casualties already outside the work force, rather than measures to maintain motivation and capacity among older workers before they become disengaged, and allow them to become or stay their own agents ('enabled') in making the transition to retirement (Hirsch, 2003, 2005)

50+ are observed to be a highly diverse group, varying greatly in terms of age, education, work experience, benefit history, and nature of prior involvement with Jobcentre Plus. This group has little or no prior experience of claiming benefits or of using Jobcentres, and therefore experience stigma, fear of the unknown, and a barrier of personal pride (DSS 1999, DWP 2006i). There is, therefore, no 'one size fits all' solution.

2.4 Barriers between the unemployed and work.

Having used the research commissioned by the DWP and others to identify common characteristics of the 50+ age group, and found that the only thing people of this cohort have in common is being aged over 50, this section will consider whether there are common barriers and constraints faced by all clients, the 50+ age group in particular.

By 'barriers and constraints' is meant all that prevents or inhibits participation in work, that which reduces the effectiveness and outcomes of the process. These barriers can operate at the societal level, in terms of policy frameworks, access to

opportunities, and funding and initiatives. At the community level, it is possible to consider the nature of learning providers, agendas, and at the individual level, there can be issues of previous experience, real and opportunity cost, peer pressure, and how all these intermesh to hinder citizens and hold them back. Is it possible for people to repackage themselves, increase their self-confidence, build and rebuild capacity, and reshape their notions? (Hirsch 2005) This is the essence of 'enabling.'

A major barrier is that 25 to 50 % of New Dealers suffer transport-related barriers, for example, not owning a motor car. Simply to generate 'work' to be done is of little use if jobs are taken by outsiders, leading money to flow out from the locality. It is necessary that jobs are generated that can be done by the local population, so that they will earn money and spend it locally, which will generate more money. The most serious difficulties occur where the local people are so badly educated and trained that they cannot compete for the jobs that there are (Nathan, Industrial Society 2001).

Another societal barrier between would-be worker and work, is the extent to which employers expect workers to come to them 'job ready': dressed for work, literate, numerate, able to turn up on time, work well in a team, able to communicate well, and this has to be achieved before the would-be employee arrives for work. Those who find these standards hardest to reach seem to be ethnic minorities, older workers, the unskilled, lone parents, ex-offenders, mental health sufferers. Failure to be job ready is also linked with insufficient labour market knowledge. The concept of 'employability', knowing how to look for a job, includes basic and vocational skills, to be sure, but also includes personal presentation, motivation, mobility and confidence, which all need to be learned and taught, which is where Skills for Life enters, as will be seen later (Industrial Society, 2001).

Of all those aged 50+ who are not in work, 53% of the 50 -54 group, 45% of those 55 – 59 and 46% of those aged 60 – 64 are, or claim to be long term ill or disabled, and one striking characteristic of those aged 50+ is that once out of work, they do not expect to work again. 65% of the 50 to 59 age group report zero chance of working again. This economic inactivity is self-reinforcing. It is not a question of rational, financial calculation, it just happens, the fatalism to which Blair referred in his first

speech as Prime Minister, reinforced by length of time people have been out of work. Long term unemployment metamorphoses into unemployability. To a degree, health, education or lack of it, plus caring responsibilities overlap, and become cumulative or multiple disadvantage (Philipson and Smith 2005)

The current benefits system is designed for a conventional nuclear family with a male breadwinner (the model designed by Beveridge in the 1940s). But in a modern society, where more women than ever work, this is too complex and inflexible. It is necessary to challenge assumptions that people with health conditions and disabilities, women with children and older people either cannot or do not wish to work. There has existed a 'one size fits all' approach, which cannot deliver innovation and choice, nor does it engage employers, or use them to channel work to disadvantaged people. The existence of personal barriers, in terms of health and disability, caring responsibilities, lack of flexible opportunities which makes retirement a 'cliff edge', combines with lower levels of formal qualifications, and less propensity to train, together with cultural barriers, which consist of attitudes and decisions about work. People have a tendency to assume that their own life expectancy will be lower than official estimates, which leads to unrealistic expectations for early retirement. To this, is added the outdated prejudices that employers have about the 50+, which leads to discriminatory employment practices and forces people out of work. All of this can be added to the 'lump of labour' fallacy, the idea that there are only so many jobs about, and if one person has one, it is taken away from somebody else (DSS 1999)

The problems of context and culture within which work is done, for instance, pay, conditions, representation, participation, balance between contribution and reward, job satisfaction, motivation and morale, added to the rigid rules of the Inland Revenue about retirement and occupational pension fund structures, constituted a further barrier to work. IR rules did not allow occupational pension benefits to be paid to an employee still working at the same employer, and restricted how far employers could offer more flexible retirement options, which raises the problem of how to reduce hours without reducing living standards. This leads to the need to stop thinking in terms of linear life styles, rather than working life strategies, including sabbaticals, time trading, phased retirement: working for longer, but less of the time (Boyes & McCormick 2005)

However, the DfES/DWP evidence review (2006) makes an important point about 'skill' itself. After noting that an economy's output depends on how many people are working, how many hours they work, and how productive they are, in which the drivers are skills, enterprise, innovation, competition and investment, they observe that people can have skills, but not qualifications to certify them. This lack of certification operates as a barrier to older people especially, but to all in general (DfES/DWP 2006, para 10). Certainly, qualifications act to certify skills at one point in time, though of course, skills can deteriorate if they are not used. Thus, qualifications are not the same as skills, but are used by employers as proxies, since they have often *nothing else*. Hence, it is possible to observe that highly qualified people are more likely to be in work than the unqualified, which is a commonplace. However, in a context where people face multiple barriers, lack of qualifications can be only one barrier among many. This report notes that of the 4.6 million people in England with no qualifications, 3.5 million fall into at least one of the DWP Public Service Agreement (PSA) target groups: disabled, 50+, lone parent, ethnic minority. Paragraph 15 notes a study of 5000 job adverts, which found that qualifications were genuinely required in only 28% of them. This report extrapolates that there are therefore 6.5 million jobs which do not necessarily require paper qualifications. What counts is previous work experience (as one employer asked, "has he done it before?"). Here is meant generic soft skills, such as motivation, punctuality, social skills. This coexists with a situation where, of hard-to-fill vacancies, 31% are due to lack of required skills, 17% lack of experience, and 13% to lack of qualifications. It is in this context that it is possible to remark that qualifications are a means by which unskilled people can obtain the skills that employers want, and justify the training agenda.

Of the 4.6 million people of working age in Britain without qualifications, 2.2 million are ILO inactive and 280000 ILO unemployed. There are 6.1 million people with qualifications below Level 2, of whom 2.4 million are ILO inactive and 400000 unemployed. One million low qualified people flow on to JSA every year, of whom 400000 flow off within the first 13 weeks without Jobcentre intervention. Each year, 470000 low skilled people move from inactivity to work. 1.9 million people are inactive for longer. This is all to do with the 'qualification' problem (DfES/DWP 2006 paras 32-38)

Having said that, DfES/DWP notes that unqualified repeat claimants are more likely to move into unskilled temporary jobs, have difficulty finding sustainable employment, are pessimistic about finding work, report difficulties in finding work because of lack of references, apply for fewer jobs, have an indifferent attitude toward work, believe that finding work is due to luck, not effort, believe that benefits provide a more reliable, stable income than trying to earn a wage, have limited work experience and face multiple barriers to work. Yet the only skills screening that is done by the ES is for basic skills needs, for 14% of claimants have a basic skills need, and a further 3% have an English for Speakers of Other Languages (ESOL) need. Hence, even the Welfare to Work regime may be insufficient to suck all these clients up into work. The problem may be finding work for them to do.

A barrier that is rarely observed or conceptualised is that many of the staff involved in the Employment Service think that older clients needed nothing beyond the normal provision of the New Deal, and that older clients are exactly the same as, say ND25 (DWP 2006g: 37). Now, while it has been shown above that the 50+ age group have nothing beyond their age in common, this report does identify a number of characteristics in which 50+ are different to younger jobseekers. These are in terms of labour market history, skills, experience, expectations, age, experience of ageism, domestic/financial circumstances, motivation and aspiration, health, transport and travel to work. This Report finds seven different types of work history, these being professional and managerial downshifters, shock redundants, career erratics, IB claimants, late returners and those with profound barriers, and deficient demand job seekers. Most of this is self-explanatory, (although Yeandle, 2005, is more specific). What is interesting is the first three types. Professional people who have passed 50 and simply want to slow down (an aspect of retirement and ageing), those who have suddenly been made redundant by a firm going bankrupt or taken over, and those who have always been in the labour market without ever developing a career, often have no recent experience of even looking for a job, and have never thought about what precisely their skills are. Shock redundants, for example might be highly skilled people whose skill has simply been made redundant by advancing technology, and this type can find job-hunting an extremely debilitating, frustrating experience. But half the sample studied in this report had no formal qualifications, one fifth had GCSEs, 17% had A-Levels or better. But they do suffer from illness, ageism, skill

obsolescence, skill deterioration, skill non-recognition (one example being a worker who had never used e-mail, but who had learned a new system every six months). Lack of skill is a more serious problem for older workers, who often feel that they are too old to learn new skills, are too near retirement, who wish to stay in familiar work, and who feel that training is too limited and irrelevant – for example, the ES might only be able to afford to spend £300 per head, while a course in say, Sage Accounting might cost £2500, while touch typing, for example, is almost never on offer. All of which is in addition to basic skills needs, poor jobsearch skills, lack of experience of current conventions in recruitment and selection (CV in form 15 years out of date, for example), and the fact that until ND50+ happened, nobody had bothered to help them. There may be some clients who do not wish to be enabled.

In addition, constant rejection plays upon the mind, and demotivates people. There is only a small hardcore who do not want to work and could not be persuaded to change their minds. There are more who have totally lost confidence and do not believe that anyone will ever employ them. (DWP 2006g)

In addition, most outcomes seem to involve only low skill, low wage jobs, for various reasons. This is not the intention of the ES, but may reflect a perception that the ES has access only to 'rubbish' jobs, while it is the employment agencies who have access to the best jobs, and it may be that jobsearch tutors teach their charges to use the ES website, JobCentreplus, but not those of the employment agencies, such as Select, Hays, Reed, etc. This bears out the truth that Beveridge pointed out, the ES must have access to the best jobs, and must not be seen as a 'sink' service, used only by 'the poor.'

DWP (2006g) is a wide ranging report, and observes (p142) that the real need for older clients in particular is sound assessment of entrants' real needs and preferences, reality check ("what is possible given the skills you possess"), access to vocational training, need to update and accredit skills, a desire to resume a former trajectory. This can only be done on an individual level. The fact that an entire programme can lack credibility if it does not lead to good work is an enormous barrier to older clients. Again, processes and approaches which try to categorise workers will not be appropriate to all citizens, and this emphasises the need for an

individual 'enabling' approach which starts from asking 'what is the problem? How can I help?'

Although the 50+ age group are relatively few in number (compared with NDYP), they do have some problems in common, namely poor or obsolete occupational skills (typing, but not word processing, for example), while there is a high proportion with few or no skills, or skills for which there is no demand, but there are some who are too highly skilled, and thus too selective about what work to look for, work they can do, look for too high wages, or too high status (IES 2000) It can happen that employers are wary of a person who looks like taking a step down in the labour market. There are, on the other hand, some who are totally disoriented. A Personal Advisor is quoted thus:

I have been really surprised at how lost some of them seem to be when I first see them, and how little it really takes to get them focused and realistic about the kind of jobs they ought to be going for...it's just that they'd never really considered this or that kind of job, and had no idea of where to look to find one, even if they had. (IES 2000)

This is an individual, enabling approach.

Clients include some who have not worked for ten or twenty years, or who had never worked, a group that lacks motivation, confidence and self-esteem, as well as up to date skills, and are very hard to place, very nervous of taking a job as the benefit system had become a normal way of life for them ("State dependency").

A barrier is that many older people think that the ES is only for younger people, not for the likes of them; places for people who were young unemployed, or who wanted to claim benefits. This type of client sees attending a jobcentre as carrying a certain amount of stigma. Simply stepping across the threshold is a significant barrier to overcome. Jobcentres become places for 'scroungers and layabouts', personal pride and fear of the unknown keep older people out. They have bad memories of the 1980s, when, to them, jobcentres really were dire places to go. This type of client can be pleasantly surprised if they can be got to a Jobcentre at all (DWP 2006i:37)

In addition to the common barriers that come between the 50+ age group and employment, there is, as we have noted above, a crucial, and much underestimated barrier, which is not what it seems. There is "a minority of customers who are very well qualified and may be too selective in the sorts of jobs they are willing to consider, both in terms of status and salary." (Moss and Arrowsmith 2003)

This view starts from the same world view that was expressed by Nigel Lawson in Chapter Four: if only workers would work for lower wages there would be more jobs. The reason why clients are not in work is that they will not work for lower wages. It is a major argument of this study that this view is entirely wrong, and 'Disabling.'

Moss and Arrowsmith seem to think that whether one gets a job is entirely a factor of the wage one is willing to accept, rather than an outcome of a whole range of factors, few of which are in the control of the jobseeker. It does not take into account the possibility that individual employers might be wary, for good reasons, of potential employees who undersell themselves. Employers might not hire very experienced, qualified people for relatively junior jobs for fear that they might leave as soon as a better offer comes along. They do not allow for the possibility that workers who ask for too low wages may be perceived as not valuing their own labour. This leads on to employer attitudes.

DWP (2003, 2005d, 2005e, 2007) all consider as barriers lack of confidence, personal attitudes about age, but also add employer attitudes, by which they mean not only ageism, which is extremely hard to prove to the satisfaction of an Employment Tribunal, but the fact that employers do have a negative attitude to people who have been out of work for a long time, believe that length of unemployment and loss of motivation go together, use unemployment as a screening device, and consider that the unemployed, by virtue of their unemployment, lack motivation and up-to-date skills. (The Author knows one Employability Tutor who advises his clients never, ever to describe themselves as 'unemployed': it is a kiss of death, and will kill an interview there and then. It is, however, in order to describe oneself as a 'jobseeker'.) Moreover, this DWP research has found that employers will precisely not hire people who appear to be over-qualified.

Barriers the DWP has also found by researching employers include financial barriers, unwillingness to reduce reservation wage on the part of workers who do over-rate their skills, but also personal ones – drugs, drink, offending, literacy or numeracy, transport (no car), and combinations of barriers, which add up to multiple barriers: age+lack of skills+sickness+disability+caring responsibilities.

However, while the DWP research mentions conventional issues of specific help for older clients, there are also here issues of skills development or enhancement, in terms of specific qualifications and skills. The DWP notes that older clients do not need re-motivation to find work, on the grounds that most are already motivated, and they do not always need help with basic skills – in fact, ‘basic skills’ help can be experienced as an insult. It will be argued later that what is necessary is not ‘Can you write?’, but writing in a particular way, for instance, CVs and application letters. It is necessary to overcome the ‘I am too old to learn’ syndrome, and to ask, What can you do? What can you learn to do? This is a question characteristic of the Enabling approach, to be contrasted not only with Conservative do-nothing ones, but also, Old Labour benefits approaches, which create and reinforce dependency.

DWP (2006d), concerned with what employers look for when recruiting, observes that older adults have been more severely affected than younger workers by changes in the economy and labour market: new technologies and the concentration of older adults in declining sectors have meant that the skills they have acquired are no longer wanted. Older workers were the ones targeted for redundancy and early retirement in the late 1980s and early 1990s. The 2005 White Paper recognises that older workers are less likely to possess qualifications, and more likely to need support when they do learn, and will need training that is valued by employers to promote re-entry into work and clarify the value to older workers of continued learning. Hence, to the extent that the drivers of changing skills are new technology, new legislative and regulatory requirements, new working practices and new products or services, then the extent that either the ES or the academics who research for it require clients to lower their reservation wage, and accept lower skill jobs, thus petrifies the nation’s skill profile, and constitutes a barrier between clients and the life they desire.

While employers do value experience, skills, motivation, references and qualifications, in that order, the main use of qualifications is as a screening device, which tells employers who not to shortlist. A list of qualifications can signify an over qualified person who might not be committed to the company. Furthermore, small firms especially might not understand what set of practical skills and knowledge a specific qualification signifies. Indeed, the importance of qualifications is precisely whether employers are familiar with the course content and the relevance of the course to their business, the nature of the job, legislative requirements and the perceived reputation of the awarding institutions (DWP 2006d:34)

Two thirds of employers use qualifications to assess a combination of factors including skills, motivation and intellect, while one third try to assess all these together, since qualifications are meant to guarantee basic skill competencies. They are only used to measure technical knowledge in some sectors, such as construction and manufacturing where there is a demand for high-level technical knowledge. The truth is that employers use qualifications as a proxy for skills, since they have nothing else (DWP 2006d:36). It is for these reasons, the inability to demonstrate proxies for skill, that lack of qualifications acts as a barrier to the employment of the older clients in particular, who grew up in a world where such qualifications were unnecessary, and can therefore be excluded from jobs which shortlist for interview based on qualifications alone. With work experience and referees, older clients can get jobs where employers rank soft skills more highly than paper qualifications, but it is precisely these jobs that older people can get which are classed as 'low skilled', relying on soft skills which cannot be measured on paper. This explains how older people can become trapped in low skill, low wage jobs, out of which they cannot get without qualifications, which they cannot get because, as will be explained later, Work Based Learning for Adults (WBLA) only goes up to Level 2, which is, by definition, not 'highly' skilled.

The Long-Term-Unemployed (LTU) have a bundle of problems, and therefore need a bundle of solutions, but from a social science point of view, it is not always easy to identify which bundle of solutions works: there is too little evidence (DWP 2007, Report 407, Section Four). What is known is that (p60) few clients use the ND 50+ programme as a springboard for progression in work. There is little or no advice or guidance regarding inter or intra employer moves. How important is this? It is

known that many 50+ go into low wage, low skill work, and experience this as demeaning, and although the Employment Credit (EC) has value in encouraging them into work in the first place, and indeed, as has been shown above, encourages them to lower the reservation wage and take such work, ND 50+ as a programme, offers no route out of such work, and this is a barrier. It is known that lack of skills, or rather lack of paper qualifications is a barrier, since lack of qualifications means that a CV will not get through the initial employer screening, but older people in particular feel that they would gain greatly from accessible, personally relevant and detailed information to support career choice, expert advice and continuity in support, alongside affordable training opportunities relevant to the needs of the local labour market (DWP 207, Section 5.2.3). The implication is that, where Personal Advisors can provide this, older workers can succeed in the labour market, and regain a stake in society. While older workers do have distinctive training needs, it is a barrier that they get fewest opportunities for training. Report 407 does note that many of the jobs taken by 50+ are of poor quality and there is little evidence of advancement, which, in view of the encouragement to reduce the reservation wage by means of the EC, rather than re-skill by means of skills audits, training, career advice etc, is hardly surprising.

2.5 A Summary and a Recommendation

In view of the difficulties noted above concerning training, it can be remarked that while it is true that some older clients may be unable to see how their skills and experience can be utilised, it may be that the answer is not to seek a minimum wage job, but to conduct a skills audit, and counselling, on the grounds that the client may not have correctly identified their own transferable skills, and that this is a gap in ES provision. For example, some employment agencies use a form, which can be eight pages long, asking such questions as can the jobseeker use a photocopier, a fax machine, a telephone – “office skills”: most agencies consider that being able to conduct a conversation on a telephone is a definite skill. All agencies wish to know with what Microsoft applications the worker is familiar: Word, Access, Excel, and Outlook at Level 2 being a bare minimum for employability. Has the worker any experience of using a switchboard? Yet the ES does not conduct skills audits. Yet without a skills audit, how is the ES to know what a client can do, and, lacking this knowledge, how can the ES sensibly direct well qualified, experienced clients into

work? Is the barrier to enablement the unwillingness of the client to lower the reservation wage, or is the barrier the unwillingness or inability of the ES to help a client identify unknown, non-explicit skills: a client can, during a lifetime of work, acquire useful transferable skills, but, without a certificate, not realise that these are skills. Over a period of years, it is possible to acquire an excellent telephone manner, but without an NVQ in Customer Service, not realise that one has acquired this manner. This is a potential failing of the DWP.

Let us now look at what Government has so far done to enable clients to find their way through this labyrinth.

2.6 The Value of Personal Advisors

The Personal Advisor is supposed to act as a General Practitioner, equipped with a range of diagnostic tools and skills, together with a wide range of local external agencies and organisations who can provide specialist help (Industrial Society, 2001). Thus the PA will know about local vacancies, local opportunities, will not know everything themselves, but will know who to ask (Millar 2000).

Some of the activities in which PAs ought to be engaged can be elucidated from DWP (2006g), which notes that older clients seem to benefit greatly from peer groups, and therefore that provision needs to be tailored for a group that is often more highly motivated to start with than younger clients. Very few older clients have to be sanctioned, it is simply not necessary. Older clients do not like being mixed with younger ones. Nor do they like young PAs, preferring people nearer their own age. 50+ clients often seem embarrassed by being made to take the basic skills tests. But where ND50+ is run by PAs who know the New Deal; where the programme has short, simple chains of communication, with local autonomy, simplicity, light and simple administration; clarity and simplicity about client eligibility; where the programme uses the existing stock of knowledge and experience of the ES, and utilises the ready availability of specialist support, is where ND50+ works best (IES: 2002). The flow of clients from the Benefits Agency (BA) was very modest, perhaps because the BA itself was accustomed only to administering benefits, and was not accustomed to a proactive role in moving clients into work. IES also note that the main effect of ND50+ is that the average duration of unemployment falls. They think that the reason is that the programme deals with

both stock and flow entrants, hence the stock entrants become fewer and the flow entrants more prevalent. The evidence of this report is that the client group is motivated and reliable, but lacks self-esteem and self-confidence, possesses poor or obsolete occupational skills, has unrealistic attachment to former occupational status, incomplete core skills, especially IT, deep unfamiliarity with the current labour market, some problems with health or physical stamina, and loss of momentum through long spells of unemployment. The client group does have a good image of themselves, and often blame ageism for being out of work. The question that does cause this client group great difficulty is "Are you ready to try something different, bearing in mind you will not get as much for it as you used to?" This much has already been noted in this Chapter. Dealing with all these problems together is difficult, and of great assistance is the new psychological basis of the client-advisor relationship. The Advisor is personally committed to the client, unambiguously on their side, in a sustained relationship. This, unfortunately, report IES, cannot be demonstrated statistically, and needs to be investigated both by qualitative and quantitative evaluation.

The training agenda, that which is available, that which allows progression in the labour market, must come at the right time, that is, when the jobseeker has overcome the panic at losing the job and is mentally ready to think out what comes next, but 50+ want training first, work second. (Moss and Arrowsmith 2003, Section 3.10). This may or may not be an accurate picture of 50+ers, who might want success first. But it can be questioned whether Moss and Arrowsmith realise that taking a low-paid job simply to get back into work ignores other issues, such as whether the long hours necessary to make a low-paid job pay prohibit part time learning. It is also possible the training available to clients is too limited. Moss and Arrowsmith point out that many clients need more than SJFT, but also more than LOT, but less than BET. WBLA, by its nature, as will be seen later, does not provide advanced training. Many older clients do not need motivating to work, but it is necessary to allow for the possibility that what is really required is skills and qualifications that will allow them to break out of straitjackets into which they are held by the obsolete skills that have caused them to be out of work in the first place. The EC helps lower the reservation wage, but, why should lowering the reservation wage help? There does seem to be a contradiction here. Is it allowed to complain that

advanced skills training is not available, and at the same time, believe in the need to accept a lower reservation wage which would not be sought if the advanced skills could be learned? Moss and Arrowsmith themselves observe that "Those looking for more senior positions or for more highly skilled occupations felt that they were not being given enough support" (2003:3.10). DWP Report (407:60) notes that few clients use the programme as a springboard for progression in work (see next section). The role of the Personal Advisor is, therefore, to provide help and guidance through what many clients regard as a minefield, and the success of the New Deal itself depends on the quality of these Personal Advisors.

2.7 The help provided by the Working Tax Credit

The value of the WTC, formerly the Employment Credit, is also assessed by IES (2000). The point of the EC was that for the first time, clients were being offered money, and lots of it. EC was never 'something for nothing', it was a reward for success in the labour market, and it goes to the worker direct, not the employer. PAs seemed to think that the EC galvanised clients to seek work and made it worth while, which leads to gratitude and reciprocity among a group of people who had all but given up. EC seemed to boost the self-esteem of clients and their willingness to 'do their bit' since the government was willing to put up so much money to help them, and enable them to take work.

WTC/EC can be seen as an answer to employers who do not behave responsibly (Bennet & Hirsch, 2001:10). It is, of course, possible that wages might end up lower than they otherwise would be, if employers were able to lower wages by the amount of the subsidy. It is for this reason that the Government also introduced the National Minimum Wage, policed by HMRC, rather than ES, and after February 2006, paid WTC directly into the worker's bank account. This is a great help, as employers do not even need to know that a client is in receipt of the Credit.

More to the point, it is possible that, because of the tapering to which WTC is subject, the credit can reduce the degree to which people invest in skills and career progression: after all, if the worker is able to achieve a satisfactory standard of living with their current skill level, is there a point at which further training and education might be seen as unnecessary? (Bennet & Hirsch 2001:13). Does there need to be

a material incentive to better oneself, or can this be taken as a natural human need (see Esping Anderson, 2004, on how this problem has affected Sweden). What is important is that Government recognises, as it does, that bettering oneself is a factor in Enabling State theory.

However, the in-work tax credit is unable to tackle lack of confidence, ill-health, outdated skills, discouragement and other barriers to employment, as the client must first be offered a job to obtain the credit, but the lesson to be drawn is that workers face many different problems, all of which require different solutions (Bennet & Hirsch, 2001: 29). Hence, there exists a full raft of policies. What is important is that WTC, a feature of the Welfare to Work regime, is a tax credit, not a social security handout. It thus removes stigmas and shames, and can be seen as part of an agenda which is concerned with targeting certain groups with low incomes, rather than simply compensating people directly for low pay, and, by providing a route into better paid work, might be a more effective route out of poverty itself (Kemp et al 2004). This is in correspondence with the theory laid out in Chapter Two.

2.8 The influence of Training and the Training Grant

Training is a vital part of Enabling thinking, as it is aimed at the question What can you learn to do, rather than What can you do now. This section is based largely on the report on Work Based Learning for Adults, (WBLA), written by the National Centre for Social Research Policy Studies Institute. There are basically three main WBLA programmes, all of which occur as formal training courses, either with a provider or an employer. Firstly, there is Short Term Job Focussed training (SJFT). This is a mixture of soft skills, job search and work placements tailored to the requirements of employers. It is full time, and lasts for up to six weeks. It is individually tailored for clients who are most job ready, and need only to brush up their skills.

For those who are not job ready, there is Longer Term Occupational Training (LOT). These programmes are for those who need to acquire new skills, refresh others, improve basic skills, gain qualifications, update their CV, carry out job search and find work. LOT usually lasts some 14 weeks, but can last up to one year. Unfortunately, the training only goes up to Level 2, (Good GCSE level), not to Level 3 (equivalent of A Level), which is a barrier (Campbell et al 2001). Third, there is

Basic Employability Training (BET), designed for those who lack basic skills entirely, which usually lasts up to 26 weeks.

21% of the clients in this study were aged 50+. Most of those on BET had lived in the UK for less than five years, and did not have English as a first language. Even 25% of those on SJFT had never used a computer before, and had few, if any qualifications. These clients were LTU, unskilled, wanted to work, but were fatalistic about their prospects. They may not, in their daily lives, even possess or have access to a telephone, and therefore, by definition, lack a good telephone manner, an essential for many office jobs. Many clients did not own a motor car, and only 55% of those on BET even had a bank account. This is a formidable combination of barriers.

Although the most common outcomes of WBLA are increased self confidence, a qualification and an interview, it is difficult to observe longer term outcomes statistically significant over time, nor is it easy to measure whether LOT moves people into jobs they would not otherwise have secured, nor to measure impacts on wages. It thus makes the concept of Enabling difficult to measure. There could be a number of reasons. Although over 2002-2003 72400 clients started WBLA, it was not possible to track them all down to interview them, and this particular study was based on a rather small sample. However, this study estimates that SJFT can improve a client's chances of securing a job by up to 17%, with a significant impact six months after entering the programme. When one of the barriers between clients and work is the number who enter the jobsearch process 'lost', and have to be taught how to look for a job, this impact can be very important.

WBLA is, to those who qualify, free to all between the ages of 25 and 63, but there is a training grant available to ND50+, of £750 (in 2007), which can be used to buy training from a provider. What actually problematises this grant is a paradox, since the client has to get a job, in order to be able to claim the grant, and it is the job that is hard to obtain (IES 2002). But the reasons for not taking up the grant are either that the kind of jobs clients obtain do not require new skills, or, that clients have no experience of buying training for themselves, and did not know what £750 would buy, nor where to get it. This is unfortunate. The State can create jobs, but only on the basis that it hires in the same way and for the same reasons as any other

employer (ES 2001). It can be deduced that clients can come to be in a situation where they have to get a job with their existing skills in order to get the training grant to learn new skills, but it is precisely the lack of new skills that prevents them getting a job in the first place. Hence, training and the training grant must go together. This leads us on to the Adult Learning agenda.

3. ENABLEMENT AND THE ADULT LEARNING AGENDA

Chapter Three conceptualised 'citizenship' in terms of 'capacity and competence'. That is to say, that citizenship can be considered not just in terms of the legal rights and duties of the citizen, but in terms of the ability to exercise the capacity and competence of a citizen. At this point, it may be possible to be more specific in terms of what such capacities and competencies might comprise. To this end, a central position in social-psychological theories of motivation is occupied by the concept of self-efficacy (ES 2001). 'Self-efficacy' might be here considered a synonym of capacity and competence, in that what is being considered is feelings of capability, developed through past experience and self-imaging, which can lead people to attempt goals, and the achievement of goals further develops feelings of capability – nothing succeeds like success. ES 2001 thus develops this table, to measure the self-efficacy of a number of New Dealers:

Items measuring job search self-efficacy 1

	% giving positive responses
I know the best ways to apply for the kind of work I want	74.1
I know how to write a good application letter	72.2
I do well at job interviews when I get them	66.7
I have lots of experience relevant to work	63.1
I have many work-related skills that would make me a good employee	76.1

This table can be interpreted as the extent to which an individual feels that their own future is in their own control (enabled), or conversely, is largely a matter of luck or external forces (disabled), and this may have a bearing on their capacity to plan and pursue ends in life. If it were the case that New Deal leads to a feeling that getting a job is down to one's own efforts, rather than brute luck, it may well have achieved something. It is to this end, putting individuals in charge of their own fates, rather than allowing them to see themselves as 'victims', to whom everything that happens

to them is somebody else's fault, that, for many other reasons, the Adult Learning agenda was introduced, consciously as a part of the 'Enabling' agenda.

The basic aim of the Skills for Life (S4L) agenda, the Cinderella of Further Education, (DfES 2002b) was explained in DfES (2001). Inadequate literacy and numeracy skills can cost an individual £50000 over their lifetime, and the nation £10 billion per year. Inadequate basic skills can cause low self-confidence and low motivation. Not knowing how to use a computer or access the Internet constitutes a grave disadvantage to would-be workers, even on the level of word-processing a job application. Only 16% of adults in England had Entry Level 3 or lower literacy, but they made up 38% of all those receiving means tested benefits (Skills for Life Survey, DfES 2003a:84). Yet 'males who have improved their literacy skills between the ages of 16 and 37 earned more than others, while those who improved their numeracy skills had a greater probability of being employed' (De Coulon et al, 2007:4). The aim of government policy therefore is to establish robust national standards, screening and diagnostic assessment, a national core curriculum, and new national tests. Also, to enhance the status of the teachers by introducing professional qualifications for all literacy and numeracy tutors, along with new inspection regimes, engaging potential learners by making improved literacy and numeracy skills an entitlement of citizenship. This requires a cultural transformation among adults and a radical improvement in the quality of training and support. Paragraph 15 goes so far as to say:

Just as it is a duty on government to take adult literacy and numeracy seriously, so we will impose duties on the relevant agencies, and in certain cases on the individuals themselves, to do so too. (DfES 2003:85)

On the basis that 32% of all JSA claimants have literacy or numeracy or language needs, it is essential to address these factors in order to make a success of the New Deal, and screening for basic skills by personal advisors was introduced from April 2001. Unemployed citizens with literacy or numeracy needs must henceforth address their needs or risk losing benefits.

Not only that, but DfES actually define the national standards, thus:

National Standard	At this level, adults will be able, for example to:	School level equivalent
Entry 1	Read and obtain information from common signs and symbols	Level 1 (age 5)
Entry 2	Use punctuation correctly, including capital letters, full stops and question marks	Level 2 (age 7)
Entry 3	Organise writing in short paragraphs	Level 3 (age 9)
Level 1	Identify the main points and specific detail in texts	Level 4 (age 11)
Level 2	Read and understand a range of texts of varying complexity accurately and independently	GCSE A* - C (age 16)

Campbell et al (2001) estimated the numbers falling at each level as follows:

Literacy		
	% of 16-65 year olds	Number of 16-65 year olds
Entry level 1 or below	3%	1.1m
Entry level 2	2%	0.6m
Entry level 3	11%	3.5m
(All Entry level or below)	16%	5.2m
Level 1	40%	12.6m
Level 2 or above	44%	14.0m
	100%	31.9m
Base, all respondents with literacy level (7874)		
Source for population figures, Census 2001		

Figure 2: Skill profile, Literacy, Source DfES

The point of the agenda is that there are two different problems involved. On the one hand, there is "access" employability, the ability of people to gain access to jobs at their existing level of human capital, or with remedial forms of training only; on the other hand, there is "performance" ability, how well people perform in their jobs and their continuing personal development in terms of long term employment prospects and earning power (Industrial Society 2001). It is from this point of view that the New Deal has been developed as a bottom rung access employability programme initiative, aimed at people who do not have many skills to start with. It is the first rung on a ladder which all are entitled to try to climb. Government must invest in the lowest skilled on the basis that employers will not (DfES/DWP 2006), to the point of ensuring that all workers reach a minimum level of competence, so that employers will invest in skills at a higher level of learning, the essential level being Level 2 (DfES/DWP: 2006, para 68). Clients do not necessarily need this access programme, but have to be diagnosed before proceeding, the point being that a client asked directly "do you have difficulty reading and writing?" will probably say "No", out of sheer embarrassment (DWP, 2005a, Report 307:30), and might be able

to afford not to sign up to the programme. Older clients might not even recognise that they have a problem. DWP2005a: 37 mentions a client who wanted to become a motor mechanic but did not have an answer to the question "can you read the instructions in the service manual?"

This would-be mechanic leads to an interesting question, which explains why adult learning is part of the New Deal process, which is that it is not easy to isolate the particular impact of learning in general. Control groups are necessary for comparative purposes, but learning does not occur in isolation, it always occurs in conjunction with something else (DWP 2006a, Report 375, Ch 2)- 'embedded learning'. Indeed, learning impacts on different people in different ways, depending on, for example, distance to be travelled, combined with issues of attitude, behaviour, age, personal and emotional barriers, and whether the training involved leads to qualifications that employers want and will pay for. The history of the Wise Group suggests that the efficacy of training can be linked to its specificity (DWP 2006a 375 Ch 2). Van Zolingen (2002) actually tied down knowledge, cognitive skills, problem solving and methodical thinking to, for example, the service mechanic repairing a car, and completing his administration accurately each day (literacy and numeracy), thus contextualising key/basic skills as a social activity within an occupation and a workplace. It is necessary to classify different skill types, job and sector specific skills, interpersonal and soft skills, literacy and numeracy (DfES 2005c). As another example, DfES (2003b, 2003d) in administration, note the use of filing, faxing, photocopying, stationery stock and ordering, checking diaries, booking visitors in, reception duties, word processing, mailroom duties etc as part of an NVQ Administration. In the absence of extremely detailed information on people's education, it is impossible to unpick the impact of literacy and numeracy on an individual's earnings from other unobserved differences in schooling. It is in this connection that it is possible to tie 'basic skills' down to questions of who needs what, and why all clients need to see basic skills programmes. For instance, it is possible to be able to read and write, but not to be able to write a job application or a CV, or fill in an application form, a matter of knowing the right language to use in that particular context (DfES 2003d:49)

There is a wide literature which studies the returns to education, especially at Level 2, which is concerned with measuring returns in terms of hard to obtain data on

productivity, competitiveness and profitability, and wage levels, for example, Dearden et al (2004), Feinstein et al (2004) Conlon, (2001) , Jenkins et al (2002) Harmon et al (2000), which leads to endless wonderment about the connection between basic skills and employment, at any level. This literature leads Harmon et al to ask whether the low return to investing in low ability individuals and the high return to high ability ones implies that educational investment should be skewed towards the high ability people and the resulting inequality dealt with through the tax and benefit system and social security.

Jenkins et al (2002) claim that there is not actually very much sound, well-conceptualised research bearing on the question of the impact of basic skills and the lack of them, largely because of the difficulties involved in deciding what to measure, and how to measure it. Ought productivity, wages, staff turnover to be measured? Are higher wages genuinely linked to the productivity of the workers, or is the decisive factor something unobservable, such as the innate ability of the workers? Jenkins et al found no major datasets of adults who have improved their basic skills as adults. (Compare McIntosh, 2004, on the endogeneity problem: does the treatment group have more innate ability than the comparison group, and if so, how would one know? Is it possible to separate the qualification from the ability to work successfully for it?) Jenkins et al mention one study which tried to estimate the cost of lack of skills by asking about customer orders cancelled each year because of errors, problems or misunderstandings; customer orders despatched or produced incorrectly; customers lost because of errors, problems or misunderstandings; members of staff employed whose function is to check the work of others, but unfortunately, could not get a response that could be regarded as entirely honest. It is not possible to decide an answer to the question, is it that being good at reading and maths causes a worker to earn more, or is it that good people earn more and good people are good at reading and maths, or is it that employers define reading and maths as the skills they want, and hire people who can read and count well? As already noted in this study above, the traditional unit of skills measurement is education, but this is only a proxy for skill, and assumes that training and skill are synonymous (Tamkin 2005.)

The problem is that the literature rarely provides details on the nature of the training involved, nor the skills which are augmented as a result of it (Jenkins et al 2002). It

may be true that poor basic skills are associated with low earnings, but is it likely that increases in basic skill levels would lead to many people working differently and more productively? And if so, what would be the direction of causation (DfES 2004b)? Is it possible to measure the impact in terms of self-esteem, work commitment, involvement in their children's education and society? ?

Employers define 'communication' as explaining what needs to be done clearly, informing other people, talk to customers knowledgeably without fumbling, able to express oneself clearly and get best results (DfES 2002a). Literacy consists of the construction of sentences, syntax and vocabulary, being able to write an e-mail. Proficiency lies in being able to deploy skills efficiently and effectively, which is hard to measure and few people really know how to do it. Skill gaps appear more likely to result in sub-optimal performance rather than restricting the scope or level of service or products offered. Workers must be able to fill out reports and books. It is not just skill, but how to use it.

Below is attempted an alternative approach, aimed at defining skills more practically. This involves an advertisement for a job, downloaded at random from Reed.co.uk, an agency with at any one time, 280000 jobs online, which will be considered in terms of whether to apply for it, in terms of basic skills defined by DfES Read.write.plus. (This is the DfES document defining the Adult skills curriculum)

Administrator

Agency: Reed Employment Leicester

Job Location: Leicester, Leicestershire

Salary: £12,730 per annum

Job Type: Permanent

Date: Just added

Applications: 1

Ref: 14701288

Organisation Description

Our client is a leading supplier of car and van hire throughout the UK. Due to expansion their busy city centre based office require an administrator to assist in their processing department.

Job Description

Duties will include:

- * Handling customer enquires via telephone, fax and email
- * Accurate data entry and data management
- * Producing reports for senior team members
- * Reviewing and processing manual orders

Clearly, at £12000 per year, this is by no means a highly paid job: a University graduate might well be rejected as over-qualified. But it requires a person who is able to talk to clients over the telephone, enter data into a database, write reports, and review and process orders placed over the telephone.

The Adult Literacy Core Curriculum (DfES, 2001) notes the importance of "the ability to read, write and speak in English and to use mathematics at a level necessary to function at work and in society in general" (p3). There are 4 million adults who need fairly modest help to brush up their skills to the required level, 1.5 million adults who have greater difficulty and need more specific and in depth help, and a further group of 1.5 million who need intensive teaching by specialist teachers (the type of student who used to be referred to as "students with learning difficulties"), in addition to 500000 adults for whom English is an additional language (p5).

DfES (2001) p10 to 11 define progression in the skill of writing. At this level adults can write to communicate:

Entry 1 use written words and phrases to record or present information (My name is John. My bus was late).

Entry 2 use written words and phrases to record or present information (construct simple and compound sentences using common conjunctions to connect two clauses eg, and, so, but: my name is John and my bus was late.)

Entry 3 plan and draft writing, organise writing in short paragraphs, sequence chronological writing, proof-read and correct writing for grammar and spelling, for example, a letter to a teacher explaining that they are going on holiday.

Level 1, judge how much to write and the level of detail to include, present information in a logical sequence, using paragraphs, using suitable language, for purpose and audience, use format and structure for different purposes, proof read and revise writing for accuracy and meaning, for example, a letter of application for a job.

Level 2, in addition, to use format and structure to organise writing for different purposes, use formal and informal language appropriate to purpose and audience, use different styles of writing, eg persuasive techniques, supporting evidence, technical vocabulary, for example, plan and write an assignment for studies, say GCSE English essay?

Clearly, the minimum standard of written English to apply for this position is Level 1, and to perform it, almost certainly, one would require, Level 2. According to the figures in Figure 2, there are 5.2 million people in England who could not apply for this position. 40% of the population could apply for it, but there are only 44% who could perform this function.

Hence, starting more practically from an actual job advert, and thinking about the work to be done, not in an academic way, it is possible to argue that, if it is the case that what has been presented here is a fairly mundane, not especially well-paid job, and if it is the case that this is representative of the way the labour market has changed, and if this is a fairly typical job, then what the Enabling State does, in the case of the combination of New Deal and Skills for Life is to examine the nature of work that is to be done at the present time, and ensure, through active labour market policies and where necessary adult education, that the largest possible portion of citizens should be able to at least apply for ("access employability"), and have sufficient literacy skills to be able to perform ("performance employability") the work that is to be done, and to be able to continually enskill and re-skill themselves according to the changing nature of work, and thereby overcome their demons which prevent them seeking and obtaining work.

Thus, newly acquired skills, acquired at any age, are building blocks to the development of other skills and become relevant through progression in further training, and lead to greater self-confidence, which develops cumulatively (DfES 2005c). Earnings and employment effects come later as enhanced literacy and numeracy allows people to develop skills that more directly influence their employment and earning prospects. It is not so much earnings, as what basic skills lead to. This is a 'black box' evaluation, leaving some questions unaddressed, but basic skills are a starting point, not a goal. They do not express, as in economics, something an individual has, but a relationship between the individual that exists now and the one that used to exist, and the one that will exist in the future – what Gordon Brown once described as 'the gap between what you are and what you have it in yourself to become.'- one of his central platforms of the Enabling/Welfare to Work approach. This is what T.H. Green meant by the concept of 'self-realisation.'

4. THE PARTICIPANT OBSERVATION

Over the Spring and Summer of 2008, the opportunity arose to carry out a participant observation of the New Deal by observing a training provider (hereafter known as Training Co, for reasons of confidentiality) based in the Midlands of England. What follows is an attempt to understand the mechanics, processes and objectives of an aspect of the New Deal itself, and an attempt to observe a group of New Dealers in the setting of a Skills for Life class, run by Training Co. The purpose was to study who was enabled, how they were enabled, and what they were enabled to do.

4.1 Introduction

The literature utilised in this chapter so far has revealed a number of problems with the concept of studying the combination of New Deal and Skills for Life. These problems comprise the lack of comparators for New Dealers: the programme is compulsory and therefore there is no group of claimants to whom New Dealers can be compared. Secondly, there is the problem of what outcomes can be studied and indeed, what counts as an 'outcome': in jobseeking, skill levels, education and 'job readiness' have all to be accounted for. An 'outcome' would normally consist of success in obtaining work, but in terms of the education, skills and job readiness of New Dealers, in terms of personal and emotional barriers, an outcome can consist of 'value added' or 'distance travelled.' Progression from a learning level of E1 to E3

will not result in success in the job market, but will count as an outcome as progress from one level to the next. Thirdly, there is the 'endogeneity' problem: even if the outcome can be measured, is that outcome due to the programme, or to some other factor which cannot be observed, and what is the direction of causation? And how to account for hypothetical outcomes of people with whom the researcher may never come into contact?

There are other problems involved to do with the concept of 'Enabling.' First of these is the problem of structure and agency: how far are citizens agents in control of their own fates, and how far are they 'victims' of circumstance. Agency has been neglected in much social policy writing (Deacon & Mann 1999). Marxist and empiricist literature has focused on the relationship between capitalism and the state, role and functions of state welfare, and the poor have functioned as either victims of the system, members of the reserve army of labour, or as social problem groups incapable of adapting to the rigours of capitalism, waiting for their situation to be ameliorated by 'top-down' social reform, but rarely as active agents of change. Deacon and Mann argued that even Peter Townsend shared this indifference towards agency, and that the denial of agency has been largely due to the influence of Richard Titmuss over the development of post War British social administration. The revival of the concept of agency, that the poor are authors of their own fates, has been attributed by Deacon and Mann variously to Antony Giddens, Frank Field and Amitai Etzioni.

Hence the interest in this observation is in identifying, in terms of 'real people' different types of outcome, factors contributing to the endogeneity problem, barriers between people and their self-realisation, and whether the combination of New Deal and Skills for Life can contribute to people becoming agents more in control of their own fates.

An attempt was made to study New Dealers by Dean (2003), who desired to reconceptualise Welfare to Work for people with multiple disadvantages. Dean interviewed 50 New Dealers. His sample comprised clients who are 'the hardest to help.' These clients suffered from problems of unemployment, drink, drugs, homelessness, histories of domestic violence and abuse, lack of work record, criminal records, mental health disorders and learning difficulties, in various

combinations. Dean distinguished two different approaches to welfare to work programmes. On the one hand, there is an American 'work first approach', predicated on the idea that any job is better than no job, as it discourages dependency and promotes responsibility. On the other hand, there is a Scandinavian 'human capital' approach, which prioritises the development of social attitudes and marketable skills that will equip people to find and keep suitable jobs. Dean claims that the British model is a compromise between the two.

However, there are some difficulties with the method of interviews. It is possible that interviews may not give the researcher direct access to the 'facts', if it were the case that the interviewee had difficulties in verbalising the reasons for their actions. Also, interviews do not necessarily speak about people's experiences, but about indirect representations of those experiences (Silverman 2006:117). Interview data can allow phenomena to 'escape.' Problems of self presentation, the extent to which interviewees can fabricate tales of self that belie the actual facts, the difficulty of penetrating private worlds of experience, the relative status of interviewer and interviewee and the context of the interview (Silverman 2006:127), while not rendering the interview technique illegitimate, all lead to the possibility of using other, different approaches to investigate different versions of 'reality.'

By comparison, Sharone (2007) utilised a combination of participant observation and interviews of a support organisation of unemployed white-collar workers in the US. His project occupied one full year of his time (in comparison with the present author's 13 week placement, and total 26 weeks engagement with the New Deal). Sharone studied the jobsearch process as a 'game' with winners and losers, and found that failure in the game generated the experience of being a 'loser', damaging the jobseeker's self-esteem. Sharone argued that this was not due to the role of ideology in shaping subjective understandings of unemployment, as he claims some American literature argues, but rather to the 'American Dream', "You can be anything you want to be, you can do anything you want to do." This is an approach which, unfortunately, ignores the actual constraints imposed by the labour market. Clients in his study were not encouraged to see themselves as potential employers might see them, and to frame their life desires in terms of what was possible, given the skills they had, or did not have, and hence some came to conceive plans that were simply not possible given the nature of the jobs available. It was this failure that,

when it led to lack of success in the labour market, created feelings of failure and lack of self-worth, in addition to the relentlessly positive atmosphere of the Job Club, which provided no outlet for sharing frustrations and negativities, and allowed members to blame exclusively themselves for failure.

The approach taken in this study was a participant observation, in which the aim was to see the situation through the eyes of the learners, and allow their view to emerge, without a pre-ordained theoretical framework held by the observer. The situation can be perceived as the learner sees it, not as the researcher perceives the learner to perceive it (Whyte 1991: 47). Because in this case, the observer was a Tutor actually teaching the class, it was not possible for the observer to fade into the background, as Bryman (1988:113) would suggest that he ought. However, it was possible for this activist role to allow access to a wide range of activities, in fact all the activities of the class, that a more traditional role might not have allowed (cf. Cole 1991:162). In line with Silverman's approach, it would be possible to look at what people do, and leave what they think or feel to others. Moreover, the observation could be conducted in a natural setting: the teaching and management staff at Training Co knew that the observer was writing a PhD thesis, and what it was about, and gave permission for this exercise, but the learners, although they knew that their Tutor was writing a book, did not, except in the most general terms, know what the book was about, nor that they were in it. Hence, this observation was a covert¹¹ exercise, because to have informed the learners might have produced the Hawthorne effect (Fielding 2008:270, Sanger 1996:29) – they might have changed their behaviour because they knew that they were being observed. It was also hoped that the experience of being simultaneously an insider and an outsider (the observer was never an employee of Training Co) would generate creative insight. It is to be emphasised that the relationship between the observer and the learners was never between observer and learners, but a definite teacher/student relationship, and came close to a participation action research, as described by for example, Whyte (1991), Cole (1991), Wuest and Meritt-Grey (1997). Thus:

¹¹ Because there were no interviews, there were no interview notes which needed to be kept or stored; confidentiality was respected, and subjects anonymised, there was no personal information that could be used to relate back to any individual, except the Tutor, Anne, who gave permission for her name to be used, but not surname, the organisation itself remains anonymous, and Training Co gave written permission for this exercise, which took the form of a diary, and therefore, was done according to University Guidelines.

Instead of beginning in the conventional fashion, with a review of the literature, the specification of a hypothesis, and the finding of a target organisation to test out the design, we start by discovering the problems existing in the organisation.....only as the diagnosis proceeds do we draw upon the research literature as well as our own experience (Whyte 1991:40)

As Silverman put the question:

The aim was to gather first hand information about social processes in a naturally occurring context. No attempt was made to interview the individuals concerned because the focus was upon what they actually did, rather than what they thought about what they did. (Silverman 2000:202)

The mistake in interviews is to treat the verbal formulations of subjects as an appropriate substitute for the observation of actual behaviour, creating a gap between what people do and what they say (Heritage, 1984, quoted by Silverman 2000:283).

The methods followed were in accordance with principles enunciated by Fielding (2008:273). Each day, class proceeded, and the same evening, at home, the observer, having observed, wrote up the field notes, a running description and commentary on events, people, conversations, personal impressions and feelings, where the observer was introspectively involved, but not detached, and categorised what he had seen.

This author accepts, along with the usual caveats concerning the size of the sample, that there can be difficulties of validity and reliability in this study, in other words, how does the reader know that the observer really saw what he claims to have seen, and would another observer, observing that group observe the same phenomena, bearing in mind that it was not possible to tape record or video the class, which might have made the role of the observer as 'observer' obvious and produce a Hawthorne effect. These are the difficulties of all qualitative research. The issue can be addressed by the constant comparative method (Silverman 2000:179), comparing the results of this observation to the results of the research commissioned by the

DWP and DfES presented earlier in this chapter, which may, or may not illustrate a deviant case. The aim was simply to perform a pilot study to clear the ground, as it were. It would be possible to test the reliability of this observation by conducting similar observations of similar groups. In some areas of Britain, New Deal programmes are run by the Jobcentre, while in others, the work is subcontracted out to various private sector or third sector providers. It would be possible for other researchers to seek access to other New Deal Skills for Life providers.

4.2 The Mechanics of the New Deal.

Contact with the New Deal begins when the client is invited to meet a representative of the provider on the premises of the Jobcentre.

Use of the word 'client' needs some comment. This word is actually used by the Jobcentres to describe the citizens with whom they deal. In ordinary usage, it seems to be true that professional people, such as doctors, lawyers, architects and businesspeople have 'clients'. People who register unemployed are 'claimants.' But Tony Blair himself used the word 'client' in a speech opening a new Jobcentreplus, the organisation that replaced the Employment Service in 2002. The speech was entitled 'a society in which no one is left behind', and was made in 2002. Does this signify a new relationship between state and citizen? The Employment Service now has 'clients' or 'customers'; it no longer deals with 'claimants.'

The process of signing up to New Deal is rather bureaucratic, with many forms to fill in. Forms must be filled in with personal details, there is an opportunity to have a mentor for clients with special problems, such as drink, drugs, homelessness, debt. Forms must detail whether the client cannot read or write very well, does not have a CV, has no qualifications: can the client read a job advertisement, write a letter, has any experience in interviews. Any certificates must be produced, the clients will be assessed for Basic Skills needs. The initial interview will record the client's job goals, type of work being looked for, training and support needs identified. Items on the agenda will include the nature of the Gateway programme, Induction, Gateway to Work, Intensive Activity Programme, Options, Follow Through (all of which more later), what happens if the client does not attend a session, when reviews are, mentoring, support, and it is necessary to spend at least four hours per week on jobsearch activity. Future actions are listed as Action 1, attend next interview, 2,

Initial Skills Assessment, 3 Induction, and 4, Gateway to Work. All this is on a form which the client signs.

In practice, this will entail a 16 week programme to get the client into work, followed by another 13 weeks Intensive Activity; if this is not successful (success being measured only by getting a job) then another 16 weeks activity. The New Deal gives up on no one.

Two weeks later, there will be another meeting, at the Provider's premises, where the client will be introduced to their Personal Advisor, and there will be another session of form filling. The Provider wants the client's CV, work history, puts the client through a skills test in order to diagnose literacy and numeracy needs, investigates what sort of work the client would like. Clients without a CV will be sent to a workshop to learn how to write one. Barriers will be identified, such as ageism, being over-qualified, as well as under-qualified.

A few days later, this initial interview is followed by an Induction at the Provider's premises. Many New Deal Tutors have been long term unemployed themselves. The Tutor will explain the options mentioned above, issue typed notes for the clients, and will explain the kind of support available: weekly support, Individual Learning Plans to identify skills, experience, training needs, literacy support, job search support, training workshops, access to mentoring, short intensive training courses. 'Options' is a period of intensive activity lasting between 13 and 26 weeks full time. 'Work Experience' with continued literacy support, continued jobsearch support, continued access to mentoring if needed. The Work Experience is basically working for very little in material reward, (JobSeekers Allowance plus £15 per week), but can be useful, it is said, to introduce clients to a 'real' job, and give them opportunity to show what they can do, possibly with a social entrepreneur, or a firm such as Tesco.

Training Co runs a programme at another centre called 'Launchpad' designed for those with the most difficult barriers to work, which consists of a three day programme concerning jobsearch skills and labour market barriers. This includes dealing with such matters as whether or not the client has a bank account, how, where and when to look for jobs. It is claimed by Training Co that 60% of starters get a job within 13 weeks.

There has always been one worry about the New Deal, which is that firms which offer placements want only cheap labour, and therefore offer only places for 'volunteers', and never actually offer anyone a job. The Tutor concerned in this observation said that if the provider identifies firms doing this, they will refuse to use them, which is the only sanction they have.

The 18 to 24 age group are entitled to work for an NVQ (National Vocational Qualification, introduced by the Conservative Government in 1986, designed to certify vocational skills, partly replacing the old craft apprenticeships) to Level 2, free. Over 24s are entitled to personalised training. All New Dealers are different, so are not all offered the same thing.

The mentoring programme offers close one to one support for all sorts of problems: housing, benefits, relationships, domestic violence, addictions, racism, anxiety, panic attacks, coping skills, lack of confidence, life skills, weekly budgeting, all the problems of the hardest to help. All this is available to the client from the time they sign on to six months after gaining work.

The New Deal actually operates like a job: there are set times when clients have to be there, rules to keep (including an Internet Acceptable Use policy document). The whole session lasts just over one hour.

The second meeting with the Personal Advisor can turn out to be very fruitful. There is another form to be filled in, called 'My Development Plan', which lists the personal details, previous experience, qualifications, other experience, potential barriers: do my results indicate that I need support in this skill, do I want training support. What are my goals and hobbies. Primary aim of the programme is to gain sustainable employment. The length of the programme is ten months. Available training is listed under objective, course title, awarding body, provider, address of provider, contact details, level of qualification, full or part time, expected start and finish date, timetable. There is a section, 'What I plan to do to help me develop.' What do I need to do, how will I do this, who will help me, when does it need to be done by, how will we know when it is done, date to be reviewed? Who will discuss my programme with me, when, how often? Most important of all, a placement can be offered. This will involve working for little or no money, but a vital chance to gain experience, a reference, opportunity to put skills on show. There is no job

guaranteed, but if the Provider of the placement were to wish to hire, an insider would be in a good position to apply for such a position.

This is not an operation which simply wants to move clients into any job, just to get them off the welfare rolls, as Anderton (1997) claimed of the Restart programme in the 1980s. In the New Deal, the Personal Advisor is on the side of the client, not the Jobcentre, nor the DWP, nor the side of the organisation, and the client is the Jobseeker. The Personal Advisor is unequivocally on the side of the client, and for the younger New Dealers, this might be the first time that anyone has been unequivocally 'on their side.' This does not mean that the PA is 'soft'; the PAs are in a position to tell clients things about themselves that they do not want to hear, 'tough love'. But the New Deal does depend on the PAs being of top quality. It would seem that a poor PA could disadvantage, or disable a client, but a good PA could make a real difference to the lives of many clients. It is also emphasised to clients that the New Deal is a matter of rights and duties: the client has the right to receive the help of the State to enable him/her to overcome barriers to employment, and is under a matching duty to participate, and to put some effort in on their own behalf. What one gets out of the New Deal depends on what one puts in. Those who put nothing in will get nothing out, as Beveridge intended.

The placement itself with the Provider actually began a few days later, and what follows records and attempts to analyse in terms of 'enablement', events in class and what the learners did, and what they learned to do.

4.3 The Skills for Life Class

The class itself consisted of twelve students, and their Teacher. The students vary in age from 19 to 58. Some are from ethnic minorities, though all but two have English as a first language: they do not need ESOL. Of the two that do not, one was an Afghani, one was Hong Kong Chinese. They are of differing abilities, ranging from E3 to nearly L2 (these terms were explained in Section Four). There were three women and nine men.

There was one older woman and one younger woman, aged 20, who had been made redundant. Three had done reasonably well at school. Of these, the young woman has been made redundant, one had never managed to enter the labour

market after Sixth Form College; one was an ex-offender, whose status as ex-offender was a barrier. There were another two who had not done well at school, and have never succeeded in the labour market. The Afghani was an asylum-seeker, with English as a third language, seeking to enter the labour market in Britain for the first time. Two had been in regular work from school, but had left the labour market to undertake caring responsibilities, and were now trying to re-enter the labour market after many years absence. One of these two was the only member of the group with useful vocational qualifications, which were, unfortunately, out of date, and had atrophied through disuse. Four of the learners would, while on the course, pass the National Assessments in Literacy and Numeracy at Level 2, six would pass both assessments at Level 1, and two would not succeed in either. It subsequently turned out that all were lacking job search skills, in terms of being able to write a letter or fill in a job application form: in job seeking, they lacked capacity and competence.

The students work on Literacy tasks during the morning, and Numeracy during the afternoon. Wednesday is Jobsearch day, when they have the resources of the local and national press, the Internet, and any other resources that can be found to help them find work. They are mostly, or nearly, 'job ready.' They all have what among Skills for Life Tutors are known as 'spiky profiles', that is to say that some of them are more literate than numerate, some the reverse. Some of them are rather bright: a beginning reader is not a beginning thinker, and they all have definite, articulate views on many subjects.

These New Dealers are not the 'hardest to help' category identified by Dean (2003). None of them has problems with drink, drugs, homelessness, debt, domestic violence or complete illiteracy, although two are ex-offenders, and one lived a somewhat chaotic lifestyle. There is also, in the next door classroom, led by another Tutor, a class of lower level literacy (E1 and E2), which was not observed. This suggests that the group identified by Dean was of an extreme type.

4.4 The Learners

This section will give a pen portrait of students the Author came to know well.

ME is a 50 year old woman with a daughter who has been job seeking without success for over 20 weeks, and is close to giving up. She is looking for work, either as a Care Assistant, or as a Learning Support Assistant, where she has few certifiable skills, and no qualifications. She is bright, keen to work, keen to learn, but really needs to be pointed in the right direction. The Author asked her what she was good at, and found that she used to work in catering, has an NVQ3, in Catering, among other qualifications, but does not want to re-enter catering, as she is afraid of McDonalds, and does not want to get involved in 'burger flipping.' She was introduced to e-mail, which she had not used before, and the Reed website, which carries, in good economic times, some 250,000 jobs nationwide. Within a few hours, she has found a position available as an Assistant Catering Manager, and has obtained an interview. This illustrates one of the difficulties mentioned earlier in this chapter: ME has skills and experience, but has a fear that needs to be conquered, a demon that needs to be exorcised. Once that demon was exorcised, she was on her way, succeeded on gaining employment, and was therefore 'enabled' to take charge of her own fate.

Another student is C, a Hong Kong Chinese. Over time, he was found to have a disability which affects his right arm, which shakes considerably, and has affected that part of his brain which controls speech. He used to speak English very well, but the disability has badly affected his ability to talk. He reads and writes English very well, and has good IT skills, but the disability has badly affected his handwriting. All this makes obtaining employment through orthodox channels somewhat problematical. He must continue to seek work, in order to qualify for JSA, but it is possible that he could be better helped by one of the organisations which specialise in helping the disabled, such as Remploy. Thus, we see here, a problem of specialist help to enable C. Orthodox channels will not succeed in enabling C to gain employment.

P, another student, used to be a factory manager, but was forced to leave the job in order to care for a sick parent. He is now trying to re-enter the labour market, and is finding it difficult. He has been a carer for so long that his former skills have atrophied through disuse, he has a significant gap in his CV, and lacks recent work experience. He is in the class in order to re-learn literacy and numeracy skills he used to have but has not used for some time. He is actually finding the class a life-

changing experience as he returns to learning, and rediscovers social and intellectual experiences he thought he had forgotten. It is possible that he will not be able to re-enter the labour market, at least not in his former capacity, but the value of Skills for Life to P is that he has, in his late fifties, rediscovered a world of learning he thought he had forgotten, and may be empowered to find his own road to happiness. It is possible that he might need to seek a new direction, possibly as a Volunteer with one of the local organisations such as Rathbone, who might greatly value his life experience. In this case, 'enabling' would take yet another form, in how to seek new opportunities in previously unconsidered fields.

M is a young man whose college education was interrupted by unfortunate circumstances: he is an ex-offender, and determined to remain an ex-offender, but his life has been interrupted, and he no longer knows what he really wants to do. Again, he has a serious gap in his CV. He is very bright, and was studying Sociology and Psychology at A level before circumstances intervened, but needs perhaps, some specialist help to return to the labour market, and maybe needs, (and subsequently underwent) re-training in a new field of work - Retail. In his case, 'enablement' may take the form of self-employment: there are in place New Deal programmes designed to help clients move in this direction.

S wished to become a self-employed painter and decorator. He has family already involved in this line of work, but has not so far, it seems, been able to use the family connection. His basic skills are maybe not really good enough for what he wishes to do: on the first day the Author met him he was writing 'pea's' and 'tool's' - he needs to learn, among other things, the use of the apostrophe, and his numeracy skills were not good, although his practical skills are said to be good, and he has the paper qualifications he will need. Perhaps his Personal Advisor could help him make use of his family connections. S did admit (to the Author) that he does not really want to be on a Skills for Life course. Classroom learning is not really for him; he is a practical type, who would much rather be out actually working. He could be described as a 'kinaesthetic learner', that is one who learns by doing, and it is possible that he actually despises book learning as something not for 'real men.' It is possible that his Personal Advisor has made an error sending him on this course, instead of trying either to use his family connections to get him into self-employment; or since he has a fork lift truck driving licence, a placement as a fork lift driver.

Again, enablement would take another form. S needs a helping hand, or some 'tough love' to move him forward. He is finding work as a fork lift truck driver difficult as he has no 'experience.' He may need a work experience placement.

K is 21 years old, has some qualifications gained at one of the local Sixth Form colleges, but has not so far been successful in entering the labour market. His numeracy skills turned out to be quite high, well above his Literacy (a 'spiky' profile). He passed his Level 2 Numeracy test quite early, but has struggled with his literacy. In fact, he has little experience of writing formal English. He would like to be a Learning Support Assistant, and certainly has the interest in young people and in the work, but has so little work experience that he will find entry into his chosen field difficult. He may have to spend some time working as a Volunteer to gain experience. Also, when he filled in an application form for a job, he did not know how to fill in the section 'skills and experience for this job.' The Author acted as his 'Spin Doctor' helping him fill in the application form. This raises the question of whether these students are competent jobseekers, and it is possible that they are not. It may be true that getting a job is a game, as Sharone (2007) suggested, and New Dealers are quite simply incompetent game players. K needs a period of practice and instruction in writing formal English. B, on the other hand, refused to contact employment agencies, on account of a bad experience ten years before, and had to be instructed on what such agencies do, how they do it, why they do it, why employers use them, the proportion of jobs to which agencies provide access. Such knowledge is a gap in B's life that she needs to fill. Learners had to learn what their skills were, how to write a CV, where to look for jobs, how to look for jobs, how to fill in an application form, how to write a letter, how to be interviewed, all the elements of the 'game' of jobseeking. Thus 'enablement' takes the form of filling in gaps in learners' lives, experiences and knowledge.

L came as quite a surprise. She has an impressive CV, and has an unusual qualification, in British Sign Language, and claims also to have studied the two basic IT qualifications, New Clait and Claitplus, which would be good certificates to have. She does well in Literacy work, but not so well in Numeracy. It is said by S4L Tutors that in England it is all right to admit to being no good at maths, while very embarrassing to admit to problems reading and writing. L is not exactly 'innumerate' but had difficulty using fractions, and needed help, which was achieved by working

one to one with the Author. It is possible that her numeracy problems are holding her back. L also refused to write a piece of connected prose, interpreting this as an 'essay', and she would not write essays. The point was not pressed, but interestingly, a few weeks later, when L was thinking of college and Further Education, which might mean essay-writing, she said to the Author "I want to learn to write essays." The Author duly designed and started a class, with two other students, which went quite well for a time. This story suggests a concept about 'motivation.' It may be sometimes supposed that someone in a 'leadership' position should be able to 'motivate' people to do things they do not want to do. L casts doubt on this idea. It appears that there was no way to 'motivate' her to write when she did not want to. She took the decision herself that she wanted to learn. Only at this point was it possible to teach her, when she herself was receptive to learning. This suggests that in reality, motivation comes from within, and while the Teacher cannot 'motivate' the student to learn, once the student has decided to learn, then it is possible to motivate students to do things which they did not think they could do. It would follow therefore, that students who are offered Skills for Life learning must from the start discover within themselves a desire to learn, with which all things are possible. This is what happened to P, who decided that he did want to learn, and three months Skills for Life education turned out to be, for him, a life-changing experience. But it would not be a life-changing experience for someone who did not want to change their lives to begin with. Similarly K, who has now acquired a genuine thirst for learning. For L, enablement took the form of conquering a phobia, caused by a schoolteacher who denigrated her efforts to write, and thereby, possibly unintentionally, created a barrier that had to be kicked down.

Wednesday is jobsearch day, when the students are all supposed to look for jobs with the resources they have, and it became apparent how much help they actually need in this area. N produced a speculative letter, but it needed editing because there were a number of grammatical and spelling mistakes in it, and her education in this course has not proceeded far enough for her to be able to do it herself. Grammar and spelling are things that they are here to learn, and N has not learned them well enough at this point in time. Oddly enough, N learned well enough to succeed in her search for employment some weeks later. 'Enablement' took the form of someone to take an interest in her as a person, say 'well done' to her from

time to time, since she was only 19, and had a certain amount of 'growing up' to do. She also needed to build up her self-esteem and self-confidence, which some praise, from someone 'on her side' achieved.

H is Afghani, and his first language is Farsi; his second language is Turkish, and he has progressed well, learning English as his third language. He is very keen to work, but may need to find something that does not need written English, though he talks fluently, charmingly and easily in all three languages. There are agencies that would pay him well since he can read and write Farsi, but it is possible that he would need a higher standard of formal education to pursue this line of work. H was, in fact, the first in this group to succeed in getting a job, in Sales, a few weeks later. N and H both applied for the same position, and were interviewed. H wore a suit and succeeded, N wore jeans and did not, and learned thereby not to wear jeans to a job interview, whereas H succeeded by sheer determination. 'Enablement' took the form of an outlet for this determination.

W is very young and immature. His attendance is poor, his time-keeping not good, his level of work inadequate, and it seems that he has some growing up to do. Like S, he also despises book learning as 'not for real men.' He was eventually dismissed from the course for various sins. This event caused W to complain that he had been dismissed from the course 'for no reason.' It is possible that W is a person who believes that everything that happens to him is somebody else's fault: he may be a professional 'victim,' some one for whom, as Rose (2006) put it, the role of victim is very convenient because it frees the self-declared victim from any responsibility, while providing a posture of moral superiority, obscuring inconvenient facts that might suggest a different explanation for what happens to them. This is mentioned not to criticise W but to show that there are sanctions for students who break the rules, and who do not want to work, and who do not realise that a Skills for Life class is actual 'work,' within the definition of this study (see Chapter One). The discipline here is the discipline of work, not the school, and W was not sufficiently 'adult' for this discipline. This also demonstrates the great variety of client who comes to the New Deal. It also demonstrates that those who put nothing in will get nothing out. W also indicates the validity of the methodology of this observation: had he been interviewed, an interviewer would have been made to perceive the 'victimology', rather than observe the actions of an immature young man.

4.5 Some lessons from the observation

Meeting this group, and subsequent work that the Author did with other groups allowed some tentative hypotheses to be reached concerning the need for the combination of New Deal and Skills for Life. There are people who, for whatever reason, did not do well at school, and did not obtain the qualifications that would render them 'employable.' There are some who left school with no sense of direction, and who did not manage to enter the labour market at 16, and the longer one goes without work, the harder it is to obtain work. There are returners to the labour market, after a period of caring, and there are those for whom English is a second or even third language. They all have different needs, which require different solutions. This observation suggests that among the real problems are learners not knowing what their skills are, nor what help is available, nor what work is available, nor have they been able to calculate their income if they were in work. Economic growth does not automatically suck into the labour market all who are available to work, as Ormerod (1994) argued. Without some programme such as the New Deal, there will always be some who will be left behind.

The question is, not why is there unemployment, but why is this particular person unemployed? This is the first question at the first interview. What are this person's barriers keeping them out of work? These barriers must be broken down if all who seek work are to be enabled to obtain it. The New Deal cannot put people into jobs; people must seek and find work, using the skills they have, or can learn, and the New Deal gives up on nobody. It does enable people to learn skills, or, alternatively, filter learners through to further opportunities to learn skills, perhaps at one of the local Colleges or other providers.

It is also true that this kind of Education is very expensive in manpower. All students have different needs, and therefore need Individual Learning Plans (ILP). It is probable that each learner needs an individual Scheme of Work. This means that each individual needs much individual attention. It is very difficult to introduce whole class learning, as all students are at different stages of their learning journey. In fact, the Tutor does run this class as a 'workshop.'

Another exercise, designed to give the students an opportunity to 'sell' themselves as if to an employer revealed another problem, namely that these students have no

real idea how to sell themselves. Many of them suffer from low self-esteem; it is possible that they have not been encouraged to be ambitious at school. They have abilities but they do not know what to do with them. Asked to find two words to describe themselves, some of them struggled, especially L, who finds it difficult to talk about herself, which, in an interview situation, is exactly what she will have to do. Hence, the class played a series of games to give them practice in talking about themselves.

As with K, this exercise demonstrates that getting a job is a game, and New Dealers are nearly all incompetent gameplayers.

One of the students was offered a placement with Tesco, and refused it, which illustrates a problem that may be a Skills for Life problem. The difficulty is that the offer was a six months placement with the supermarket. Such a placement would involve a full working week, but the monetary reward would be the same as any other New Deal voluntary placement: Job Seekers allowance, plus £15 per week, not a wage. (Some may think that it may not be right for a firm to be able to obtain cheap labour this way, but the alternative might be that the firm might not offer such placements at all, and it may be that by making it hard for firms to dismiss people they do not want, firms would be discouraged from hiring at all. And placements do lead to jobs). The offer is that after six months good service, the firm will offer a full time, waged job. The problem is that the student was only half way through her course. If she accepts the placement, will she be allowed to complete her course, perhaps part time? If she is, all well and good. But if she is not, then she may become trapped in one particular job, out of which she may not be able to move through lack of qualifications. She started the course in order to improve her human capital, but if the firm offering the placement does not offer time off to complete the course, the student will not be able to add to her human capital, whereas if she refuses the placement she will be able to complete the course. If this be so, then refusing the placement would be a perfectly rational course of action.

There is an actual Scheme of Work (SoW), drawn up by the Tutor. The Qualifications and Curriculum Authority, QCA, together with the Basic Skills Agency, has, as was shown in Section 4, drawn up what adults ought to know, but the Scheme of Work is a matter for the provider. In this case, the SOW covers

sequencing words, decoding unfamiliar words, skim reading, scan reading, spelling, grammar; use of imperatives, verb, tense, subject agreement; plan and draft writing using spidergraph, mindmap, list of points, use rules of paragraphing. The course covers information retrieval, comprehension and sequencing (an exercise in which a series of short paragraphs is presented in incorrect order: the student has to put the paragraphs in the correct order. This is a valuable test of the student's ability to comprehend a passage of text). Other topics include irregular verbs, irregular sound/symbols, spelling strategies, punctuation (not just capital letters and full stops and commas, but also colons, semi-colons, question and exclamation marks). There are lessons on organisational features and types of text. The course covers proof-reading, writing legible text, use of images to decipher meaning, use of writing frames and different kinds of narrative text, use of tense in context, use of reports – summaries and main points, descriptive and persuasive writing, writing style. Lessons cover text for finding and obtaining specific information, for instance, timetables, websites, menus, use of formal and informal language. Lessons can also cover reading specialist vocabulary found in leaflets about doctors, hospitals, dentists, banking. Also covered should be loan words (from other languages), structure of words/roots/suffixes/prefixes. There should be lessons in use of a dictionary and spell check, word processing text. Not all learners need all of this agenda, some need less, some need more, and these Tutors at Training Co sought to achieve personalised, individualised learning.

All of this culminates in an Assessment which, if passed, results in a City and Guilds Certificate in Literacy at Level 1, leading to study for a Certificate at Level 2, which the DfES and DWP regard as the minimum acceptable level for competency in English. As noted in Section Four, the first denotes 'access' employability, the second 'performance' employability.

On one or two occasions, the students were given a list of forty sentences, all of which contained some incorrect grammar. The task was to write out the sentence correctly, which raised some interesting questions about how English is actually taught. There occurred sentences such as 'Being a fine day, I went to the seaside.' 'Me and him went to the Zoo.' 'Between you and I.' It was not that the students had difficulty with the exercises, they did not. What was difficult was that without a formal knowledge of grammar, it is not always easy to explain why 'me and him' is wrong. It

did seem that none of the students had ever been taught any formal English grammar. This led to the Author thinking back to his days learning Latin as a schoolboy to present such lessons.

This was borne out during the Art of Writing course. K turned out to have little command of formal English, and his first efforts were written entirely in colloquial English. He comes from an ethnic minority, but is British born. His first language is indeed English, but he has very little experience of actually writing the language. P on the other hand, used, as a manager, to write much, but his skills have atrophied through lack of use. L struggled mightily to begin to write, a medium of which she seems to be frightened. It may be that for many learners who do not write early on in their lives, there is a basic fear of the written word, such that even written instructions become an obstacle, while the same instruction given verbally is not. Yet L persevered, and in a subsequent exercise (describing a banana) wrote well, and turned out to have a wicked sense of humour. She had a talent which only needed to be released. This exercise, describing a banana, was used several times with different groups, and proved successful in helping students learn new words and improve their descriptive powers. One learner showed himself to be more knowledgeable about bananas than the Teacher, and knew the Latin name for them.

What nearly all New Deal Skills for Life learners met at Training Co had in common was that they did very little writing, and were not confident in using the written word. There may be many reasons for this. It is possible to speculate that they were not in the academic streams at school, and thus did not write 'essays', and writing, as a skill, was neglected. It is possible that their teachers thought that writing was something their pupils did not need to do. Teachers may not have considered formal Standard English vital, or perhaps were 'progressives' as described by Kalantzis and Cope (1993) and regarded vernacular languages and creoles as on a par with Standard, and not in need of supplementing by more open codes of language. It is possible that teachers underestimate their pupils. It is certain that none of these learners found either opportunity or incentive to write in their adult lives. They are not 'illiterate': in fact, Literacy tutors claim that they very rarely meet an adult who cannot read or write at all. These learners use texting and Facebook, and are technically sophisticated, but they do not write a connected piece of prose. This is odd. After all, "A person is functionally literate when he (sic) has acquired the

knowledge and skills in reading and writing which enable him to engage in all those activities in which literacy is normally assumed in his culture or group" (W.S. Gray, UNESCO, quoted by Levine, 1986: 28), while The US Office of Education referred to one whose "attainment in such skills makes it possible for him (sic) to develop new aptitudes and to participate actively in the life of his times" (Quoted by Levine 1986:34). Levine's view is that such skills must include not just reading and comprehending a letter from a creditor or debtor, but writing such a letter (Levine, 1986:38), which can be considered to be a crucial component of the life chances available to a social class, which can be considered in terms of what people think literacy is for (Vincent 2000:24). Not having been in regular work for some time, causes people, perhaps, too few opportunities to actually use their skills, which can therefore, appear to learners as decontextualised, abstract and mechanical operations (Barton et al 2000). Absence from the labour market, due to redundancy, can limit the social contexts in which learners can develop informal learning strategies. Not being able to write is potentially costly, as employers require potential employees to fill in forms or write letters, not because the work requires literacy skills, but so that employers can assure themselves that their employees are literate, and when mature adults with literacy problems do find work, such work is often insecure, and such workers more liable to redundancy than others (Levine 1986:129).

Yet students might never come into contact with a teacher who has understood how knowledge of writing can empower people by teaching them to use the powerful forms of written language, resulting in an inadequacy, and lack of competence to use powerful genres, such as application forms. The trick that has been missed is how to refine and add to, rather than replacing the learner's existing repertoire (Pardoe 2000:150 -1.)

From this perspective, the Author was, in his role as Tutor, able to carry out some exercises in trying to enable students to take better control of their own lives, gain in skills and confidence, become active learners rather than passive receptacles. It is not the JobCentre or DWP that enables learners. Rather, teachers teach students to become 'enabled.' To this end, the Author devised a series of games to be used by various groups of learners. One was More Tea, Vicar? This revolved around the history of tea in England. Learners drew a timeline of this history, played a game

with flash cards, and used an article downloaded from the Internet to write, in their own words, a short piece about an aspect of tea. One wrote about tea in Japan, two collaborated to produce a piece about Afternoon Tea, said to have been invented by the Duchess of Bedford in 1843, one wrote about the habit of putting milk in tea, and a Sikh drew a flow chart of how to make *masala chai*.

The results could not be quantified, except insofar as it became possible to put their work up on the wall of the classroom as a display. This contributed greatly to the self-esteem and self-confidence of the learners, which eventually fed through into their jobseeking as they perceived themselves to be more confident jobseekers through being able to write better, and have less need of a 'spin doctor.' This relates to the concept of 'self efficacy,' introduced earlier.

Another, Entry Level group, was found to contain one dyslexic, one who had never learned the rules of spelling, some who were low-skilled, where lexical and grammatical poverty contributed to cultural poverty (they did not know many words, nor how to put them together into a 'text'). Some were ESOL. Thus, the Author had to start from 'what is a sentence?' It was necessary to use "The cat sees the mouse" to teach the basic Subject-Verb-Object sentence structure – someone who does something, what they do, and who they do it to. The Author announced one morning "My pet snake, Roland, eats rats for breakfast. He eats black cats for lunch and cooked rabbits, with chips, for dinner." This led to exercises where the learners described Roland (who is a fictional 15 foot python.) They collectively wrote a story, One Day in the Life of Roland Python, which was used to show how to use adjectives and adverbs to describe the one who does, how, when and where they do it, who they do it to, and why they do it. Learners researched pythons, including Monty, on the Internet, which improved their reading skills. This constitutes writing, text production, and it proved possible to study descriptive writing, the language of instructions, and even for the Author himself to write four short stories and use them as role models, writing frames for learners to try their own hands at short story writing. The results exceeded the Author's expectations, and learners became inordinately proud of the prose they had written. Some of these Entry Level learners grew as people, becoming more assertive, more self-confident, and set out on their own learning journeys, enrolling to study at local Colleges, including one who set out on his journey to NVQ Level 4 – first degree equivalent!

The 'enablement' aspect showed in ways that could not be quantified, in gains in self-esteem and self-confidence, but also in ways in which learners were able to chart their own way forward. One learner rejoined the Army, one or two actually got jobs. Some of these jobs were not highly skilled, nor highly waged, but these learners were low skilled, and obtained the best they could with the resources they had.

Again, the enablement aspect manifested itself in that conventional re-distribution of pound notes through the tax and benefit system would have left intact the lexical and cultural poverty that assigned them to their present situation. The Skills for Life programme, imposed as an exercise in 'tough love', enabled these learners to learn new words, how to use them, and begin to use powerful cultural forms of communication. It was not possible to turn them into good writers overnight, but they had to start somewhere, and all these learners made a start in educating themselves, indeed, at least four acquired a positive hunger for learning. Hence, if they persist, they can be the beneficiaries of the re-distribution of earning power as they enskill and reskill and multiskill themselves.

Little of this could be shown conventionally as an 'outcome' according to the DWP, and even Entry Level learners are some distance from the labour market, even in terms of access employability. Measured however, in terms of 'distance travelled,' these learners became 'enabled' to move forward, and become, to some extent, authors of their own fates.

4.6 Summary

Each of these learners had a number of problems, some individual, some in common. All of them were or became reasonably competent in their use of the English language. But, some used 'text' language in formal letters, some did not know how to dress for an interview, none knew how to conduct themselves in an interview. They all came on the class because they did not know how to write formal 'Standard English' and had to be taught, and needed a 'spin doctor.' They all had to be taught how to plan and write a job application, and how to proof read their work. None were actually bad spellers, nor was their punctuation bad, nor was their grammar, although all made mistakes, which they would have corrected had they known about proof reading. Most of them lacked self confidence. Some were not

confident with e-mail. Nearly all were unsure in what direction they needed to go, and needed guidance. Only one did not want to work, and he was dismissed from the course. The others were all highly motivated, but lacked capacity and competence to actually obtain work.

However, they did not all suffer from the same problem, and there was no single correct solution. They all needed individual attention to assist them to improve their capacities and competences, which the tutor and the author provided.

It is significant, perhaps, that of these twelve learners in the first class studied, six got jobs either while the author was on placement, or shortly afterwards. Four had only tenuous connection with the labour market for various reasons. There are two whose destinations are unknown to the author.

It can be surmised, but not, from this small sample proven, that New Dealers are separated from the labour market by many and varied barriers, which will, therefore, require many and varied solutions. There is no 'one size fits all' type solution. The bureaucracy involved in administering Schemes is not a barrier to the client, since the paperwork is filled in by the professionals of the Jobcentreplus and the providers. But barriers may include personal immaturity on the part of the client, to the point of victimology, that is to say, on the part of the client, revelling in the status of 'victim'; lack of knowledge of their own skills and qualities on the part of the client; lack of knowledge of the local labour market; ignorance of how to fill in an application form or write a letter of application; ageism; disability; status as 'ex-offender'. Not being psychologically prepared for classroom learning can be a barrier, if Personal Advisors fail to diagnose this condition. Lack of understanding of the concept of 'motivation' on the part of Personal Advisors and Tutors can be a barrier, in that such failure to understand can lead to clients being sent in unsuitable directions. Lack of English can be seen as a barrier, but is often not so – H, the Afghani, was the keenest jobseeker in the class, and the first to succeed. The offer of a placement, if it comes unaccompanied by the offer to continue the formal education, can present New Dealers with a dilemma, whether to take work with the human capital they have, or whether to continue to build human capital and defer actual success in the labour market for a time.

At the same time, Jobcentreplus and the providers are making strenuous efforts to overcome these barriers by means of training, education, the exercise of 'tough love' towards jobseekers, diagnosis of problems, mentoring, literacy support, jobsearch support. The offer of a placement can act as a lifeline to those with little recent contact with the labour market, and therefore, lack an up-to-date CV, and have no references or 'experience.' It is not true that employers are allowed to use New Dealers as 'cheap labour', by means of placements: most employers who offer placements are said to play fair in this respect. The help offered, in the case of NDYP extends to free training to NVQ 2 level, which is a springboard to success.

It is also possible to conclude that the New Deal is serious business. All clients are offered help, and the New Deal gives up on no one, and will commit much time and effort to helping clients into sustainable work, although this help is not unlimited.

5. CONCLUSIONS

This chapter has described the actual process and mechanics of the New Deal, and the concept of 'employability'. It has described the nature of the 50+ age group, and has noted that 50+ does not form a homogenous group. The only thing that all New Deal 50+ clients have in common is that they are over 50. Within any gathering of New Deal Clients, it is possible to meet university graduates who have been made redundant as their firms have closed down, for whatever reasons; skilled men, some very highly skilled, whose skills have been made redundant by changing technology; former copy typists who have never learned to word process; unskilled people who have never held down regular work; and some who have never worked at all on a regular basis.

This chapter has also identified the barriers between New Dealers and work. These comprise a great variety of barriers. There is lack of transport, lack of a telephone, ageism, lack of certifiable skills, lack of formal qualifications, lack of English as a first language, lack of literacy and numeracy, lack of 'job readiness', illness, cultural barriers to work. Harder to understand is a 'one size fits all' bureaucratic welfare system, Inland Revenue rules about pensions, caring responsibilities, and, most of all, a perception on the part of academics and some PAs that the barriers are lack of willingness to lower the reservation wage, a desire to maintain former work, unwillingness of employers to take downshifters seriously, and a lack, on the part of

the ES, of willingness to provide skills audits, career advice, and the inability of WBLA to provide a sufficient range of training activities, for example, advanced level training, to Level 3. To all this is added lack of familiarity with the modern job market. Many job seekers have not had to seek a job in their recent history, and consequently, do not have a CV in a modern form, do not know how to write a letter of application, or how to fill in an application form. For example, is it the case that to mention one's age in a letter is to invite the potential employer to reject the application on the basis of age, a form of ageism that cannot be proved? Do New Dealers know the right language to use in a letter, the words and phrases to use, or not to use: this could be a matter of current Human Resources custom and practice, which PAs should know.

The evidence of this chapter is that what New Dealers in general, and older clients in particular, need is Personal Advisers who understand the modern job market, who know the right phrases to use, and not to use, who are in touch with employers, who know what employers want, and where candidates have qualifications, can help employers know what those qualifications signify. It is possible that some PAs are better than others. The 50+ elements of the Working Tax Credit, formerly the Employment Credit, has value to the extent that it is something for something, and encourages citizens to believe that the Government is 'on their side' as it were. The training grant has limited value, in that clients often have no experience of buying their own training, and the fact that the job must come first leads them into access employability, getting a job with their existing human capital, potentially freezing the national skill set, rather than encouraging performance employability, learning new skills. It is here that the stereotyping of older clients as unable to learn, and the self-image of some as being too old to learn, reinforce each other as significant barriers. Hence the value of the Personal Advisor, as someone who is 'keeping goal' for the client, appears as significant.

Hence, the chapter leads on to the next strand of enablement in the form of the Adult Learning Agenda in general and the Skills for Life agenda in particular. What is significant about the Skills for Life (S4L) agenda is that newly acquired skills are building blocks to the development of other skills and become relevant through progression in further training, lead to greater self-confidence, which develops cumulatively (DfES 2007a, 2007c) (The Author remembers Glenda, one of his

students when he was training as a Literacy Tutor. Glenda had many barriers to learning, chiefly illnesses of various kinds; her delight when she passed the National Literacy Test at Level 1, her first certificate of any kind in her entire life was beautiful to behold. And the pride with which Lee showed our Volunteer the first story he had written.) Earnings and employment come later as enhanced literacy and numeracy allows people to develop skills that more directly influence their employment and earnings prospects. It is not so much earnings, but the progression that S4L signifies that signifies 'enablement'. It is this 'enablement' that is so hard to measure and quantify – how to quantify Glenda's smile?

The importance of the New Deal is therefore, on this level of enablement. If, as was argued in Chapter Two, employment itself is what leads to self-sufficiency, self-efficacy, independence, autonomy as a citizen and human being, instead of dependence on the state, in the form of a life on benefits, the extent to which the New Deal helps create that autonomy is the extent of its contribution to the concept of The Enabling State.

CHAPTER SIX: CONCLUSIONS

"Traditional values in a modern setting" – a dictum widely attributed to John Prescott, former Deputy Leader of the Labour Party.

In this chapter, we endeavour to summarise our findings in this study, and maybe point a way forward for the development of the concept of the Enabling State.

1.1 Research Questions

This study began by asking a series of immediate questions, concerning the nature of the New Deal. The research of the DWP, DfES and DSS was used to identify the barriers faced by unemployed people in obtaining work in Britain today. What became plain was that the barriers between would-be worker and work are many and varied, and the means of overcoming these barriers must equally be many and varied. Clients on the New Deal include some of authentically low literacy, hampered by forms of lexical, grammatical and cultural poverty; there are University graduates who need to improve their numeracy; there are clients who suffer from low self-esteem and lack of confidence; and there are clients who are the 'hardest to help' of all, with barriers of drink, drugs, domestic violence, histories of offending. It is not a simple problem of wages being 'too high.' Seen in this light, the New Deal offers, as it must, personalised solutions to personalised problems. The quality of the help offered can vary enormously according to the quality of the Personal Advisors and Employability, Literacy and Numeracy Tutors.

It also became apparent in the course of researching this study that the Government itself has raised the quality of Tutors by requiring new qualifications. In the year 2000, it was possible to gain a job as a Tutor in Adult Education with the equivalent of a Level 3, A Level, teaching qualification. At the time of writing (2010) this is not possible. Prospective Skills for Life tutors now need a Level 4 teaching qualification, and also a Level 5, post graduate, specialist qualification in either Literacy, Numeracy or ESOL. The Author has trained in this Literacy specialism, and there are parts of this study, especially Chapters Two and Five, relating to the nature of language and literacy, that could not have been written without such training. The requirement for tutors themselves to be better trained and qualified demonstrates the seriousness of the Welfare to Work regime.

Plainly, the New Deal is not intended to pack clients into low waged, low skill jobs, as Restart was. The fact that some clients enter such work is due to their being low skilled: they lack vocational, literacy and numeracy qualifications, which have to be obtained in order to progress in the labour market. Skills for Life classes enable learners to obtain these qualifications, with the assistance of their Tutors, write a decent CV, learn to write good job applications, learn how to conduct themselves in interview, and also, learn how and where to look for work. Getting a job is itself a job, at which it is possible to become more or less skilled. The potentialities are considerable, in terms of increases in self-esteem, self-efficacy, competence and capacities, as learners can come to see themselves in a different light, and able to achieve things they never thought they could, even if they cannot themselves use the language of 'enabling.' These concepts, of competences and capacities, are related to the concept of 'capability' associated with Amartya Sen.

Employability Tutors and Personal Advisors can work with clients to ask, for example, now that your job has been made redundant, and there is a lack of firms needing your particular skills, can we look at what you can do, what skills you have, what skills you can learn, to see what else you could do? This is the language of 'transferable skills.' It is possible that New Dealers themselves do not know such lexis and have to learn it.

There are difficulties in assessing the success of the New Deal. One is that learners themselves are often not the most articulate people; they lack the verbal skills to describe their own barriers. That is why they are in Skills for Life classes in the first place, and teaching these verbal skills is why classes exist. This factor explains, in part, why these learners were not interviewed for the participant observation. L, for example, although bright and articulate in many ways, was unable to explain to the Author her antipathy to writing an essay. The explanation only came out later when she herself needed to know, and discussed the matter with the Author. K was never able to explain to the Author why it was that he had never learned to write formal Standard English. That had to be worked out in practice.

The fact that some learners both started and finished their courses without entering the labour market, which seemingly should be classed as a failure, led to the development of the concept of 'distance travelled' to measure their progress. A

learner who began at E2 Literacy and Numeracy, but who reaches E3 standard, may still not succeed in the labour market, but has definitely made progress. What would be important here might be whether the client carries on in some form of formal education to a higher level to become employable. This is not simply a matter of education, it is a personal revolution. The New Deal itself does not provide vocational education, but it can lead to such education, as with the client who enrolled to work for his NVQ Level 4 in Construction, or K who, shown how to navigate the pathways of Adult Learning in his home town, was able to enrol for his course to become a Learning Assistant.

The second research question was whether the New Deal was part of a wider agenda, and it has to be concluded that it is. The duty of the citizen to work for a living is manifested in the fact that the most significant Welfare to Work benefits are only available to those who are in work. The agenda included the National Minimum Wage, the development and effect of which would constitute a separate study. However, NMW itself provides a floor below which nobody shall be allowed to fall, above which all are allowed, and encouraged to compete (Churchill's vision in 1909), and constitutes also a base upon which the structure of Working Tax Credits has been erected. This structure includes Child Tax Credits (an idea that dates back to the work of J.A. Hobson and his colleagues in 1926) designed to make work pay. The study of the effect of the Working Tax Credit regime is itself again a separate study, the most recent of which has been performed by the Institute of Fiscal Studies, which has concluded that the poorest tenth of the working population has gained considerably over the period 1997-2010 at the expense of the richest tenth (*Guardian*, 26 March 2010, reporting the IFS study, "Tax and Benefits Reforms Under Labour, 2010). WTC is itself part of a wider agenda, all of which would constitute a series of separate studies, involving, for example, the effect of SureStart, extensions of parental, maternity and paternity leave. None of these benefits is available to those who are not engaged in some form of paid work. Should they be?

Is it possible to say how many have been enabled? In a sense, this is a question that cannot be answered. As was pointed out in Chapter Five herein, the fact that New Deal is compulsory means that there is no group to whom New Dealers can be compared, and thus, it is not possible to calculate how many people have found work through the New Deal. Nor can be separated the effects of the New Deal from the

recovery of the economy in the wider sense from the recession of 1991, and a decade of economic growth. What can be said with a certain amount of truth is that without the New Deal, and its component of Skills for Life, many would have been left behind in this recovery, though how many is difficult to say. Of two main providers, Working Links claims, on its website, (www.workinglinks.co.uk) nationally, to have helped 130,000 citizens into sustainable work since its inception in 2000), while Training Co claimed 3945 starts during 2007/8, with a success rate, in terms of people staying in their jobs, of between 83% and 87% (personal information.)

The next question to be answered was the nature of the Enabling State, which was investigated theoretically in Chapter Two herein. The question was, what is the nature of the Enabling State, and is there a full theory of it? The answer to the latter question has to be negative. There is, at the present moment, no such thing as 'the theory of the enabling state', nor could there be, for that might imply a blueprint for the future. What can be found is a series of practices that constitute a work in progress, an approach, an attitude of mind, a series of questions that politicians and policy-makers can ask themselves. These practices comprise a series of building blocks, which can guide politicians and policy-makers. These practices include elements of stability and predictability within which entrepreneurs can plan for the future, commitments on the part of Government to employment, rather than compensating for unemployment. The aim of education policy is phrased in the terms of human capital. The moral value is equality of worth, not outcome, in which cash income is not the only factor to be equalised, and ideals include aspiration, ambition and status. Key policies include the National Minimum Wage, Working Tax Credits, Surestart, Excellence in the Cities, childcare, 3Es ("Education, Education, Education"), and the New Deal, along with its Skills for Life component, all of which adds up to a welfare to work regime, whose aim is to ensure that all citizens are able to participate and share in the wealth of England. It is socially liberal, its redistribution aim is of earning power, not spending power, and it is this redistribution aim that makes Welfare to Work a novel form of welfare, as it is contrasted to Old Labour aims of redistribution of cash through the tax and benefits system without redistribution of skills and competencies. Indeed, if welfare to work were ever to succeed entirely in its aim, 'welfare' in its traditional Titmussian sense would become redundant.

The importance of this idea is that from Philip Snowden on, 'welfare' and 'social policy' have been about allowing capitalism to create wealth, and then redistributing that wealth on different principles, taking money off the winners in order to compensate the losers for losing. Rarely had social policy and welfare been considered in terms of developing skills, capacity and competence in order to build up the earning power of the disadvantaged. The building blocks of the 'enabling' concept are concerned with precisely this building up of capacities of the classes at the bottom. This is why Skills for Life is in place, to ensure a basic competence in speaking, reading and writing English and in competent numeracy.

The Enabling State can be characterised in the words of David Miliband (1994:5), as a form of generative politics, contrasted to blueprint politics. The contrast is between the politics of end states and the politics of processes. The politics of end states is, argues Miliband, an essentially static conception in which political competition is defined by competing blueprints for the future. Socialists have stood in this tradition since Robert Owen, including the Webbs: what would a Socialist society look like? Hence, Socialism is envisaged as an end state, a Utopia, ignoring often the realities of life and the mechanisms of changing it, lacking of a sense of how to get from here to there. This is intellectually incredible and politically undesirable. Miliband quotes Brian Barry, "It is precisely the objection to all utopias that they leave no room for any human creativity except that of the inventor." This generative politics is committed to the creation, development and sustenance of economic opportunities and social commitments in the context of the plural reality in which we live.

This project therefore, necessarily entails that there is no blueprint of the Enabling state, for outcomes cannot be guaranteed. A Literacy Tutor can teach his students to be literate, but the student is at liberty to decide that he does not want to learn that, or indeed, anything at all. The Chancellor can put in place incentives for entrepreneurs to undertake manufacturing activity, but cannot guarantee that said entrepreneurs will manufacture physical commodities, rather than paper ones by engaging in financial engineering, rather than mechanical engineering. Here, the Enabling State runs up against the limits of what is possible for Government to do in a free society.

With regard to the lexis of enabling, the Discourse Analysis of New Labour speeches has revealed not so much new words or terms, but the resuscitation of language formerly used but, perhaps forgotten by generations of certain parts of the Left: language not of controls, command, outcome, but of ambition and aspiration, aimed at recapturing for the Left issues such as crime, family and liberty that have been monopolised by the political Right.

The research questions continued by asking, does the idea of the Enabling State, and its component of Welfare to Work, have a history. Has anyone thought this way before? Were there any historical examples on which Labour politicians can draw? These questions were addressed in Chapter Three. The aim here was not to prove cause and effect, for that might be impossible. For example is it possible to prove that the idea of the Minimum Wage sprang from or was caused by the 1926 Report of Hobson and his colleagues? To do that would imply that Gordon Brown and Tony Blair and Harriet Harman, were influenced by, and only by Hobson. But the idea of a minimum wage much predates Hobson. Rather the aim was to investigate predecessors and antecedents, traditions on which New Labour has been able to draw. This aim would also answer the question, how much of the New Labour programme was 'new.'

It was noted in Chapter One of this study that although the idea of Democracy itself is government by the people, the British governing classes have always been fastidious about who exactly constituted 'The People.' Chapter Three began therefore, with the Putney Debate of 1647, which was the starting point of English discussion of who were 'The People.' For Colonel Rainborough, The People constituted all adult Englishmen, except those who were servants, or who lacked personal independence. For General Ireton, The People were those who owned property. This argument continued in English political history for centuries, and it can be argued that The People did not constitute all adult citizens until 1945. But Rainborough's idea provides an antecedent for the idea that all Englishmen are entitled to have a life to lead, and none should be left behind.

Also, it was discovered that the idea that all Englishmen are under a duty to work for a living is not 'new.' That all Englishmen should work for a living can be traced back to 1349, and that the aim of English social policy is to return the worker to work and

independence as soon as possible can be traced back to the 1601 Poor Law. This duty and this social policy became of added importance as the modern world of work formed itself during the nineteenth century, and the status of 'worker' became the only one which entitled a citizen to a share of the wealth of England. A worker can be excused duty in the labour market due to illness, disability or incapacity, but has never had a 'right' to live on the labour of others.

The existence of these connections within the labour market, combined with the extension of the franchise to working men put the conditions under which work was done, and the rewards for this work on the agenda of politics towards the end of the nineteenth century, resulting in a burst of new legislation in the generation before the First World War, especially from the Liberal Governments of 1906 to 1914, and formed the origin of a nascent welfare state, and a set of antecedents on which New Labour has been able to draw. This set of antecedents involved, argued McIvor, a sense of entitlements to rights, and the concept that the situation of the worker is the concern of the State and form a platform on which the workers were able to improve their own situations. The language used to describe this state was variously, 'social organisation,' 'social utility' or 'progressivism.'

The various writings of McClelland, Himmelfarb and Cole show how members of the labouring classes came by increased self-respect, self-help, feelings of ambition and desire for, and ability to achieve improved status and independence. Even 'lifelong learning' is a concept that dates back to at least the 1870s, and possibly the 1820s, in the form of the Mechanics' Institutes. These concepts of independence are important because the paradox noted by Thane, and Himmelfarb, that dependence on the State, created by State redistribution through the tax and benefit system, a patron-client relationship, has become 'progressive', while support for action aimed at improving labour market conditions, which would make such redistribution unnecessary, can be pictured as 'reactionary' or worse, 'neo-liberal,' a charge made perhaps by some ignorant of actual working class and Labour Party history.

This Chapter also demonstrated that the reciprocity relationship, between what citizens put into the system and what they get out, also has a long history. This reciprocity is again, not 'new' and did not begin in the late 1980s, as alleged by, for example, Jones (1999) but was inherent in Beveridgean social reform, and can be

seen as early as 1907, in the first conception of National Insurance. The 1942 Report and 1944 book both enshrined this philosophy of 'something for something.' Concepts of retraining, lifelong learning and 'employability' can all be found in the writings of Beveridge, as can the reasons for full employment, as a means of combating the evil of Idleness.

As a by-product of examining the attitudes of the Labour Party to pre-1914 reform, this Chapter has noted some curious facts about the Labour Party itself. The first of these is a split between Snowden and Ramsay MacDonald. Snowden belonged to that wing of the Party who believed that because the poor could not afford to pay National Insurance, the contribution principle had to be opposed, and was opposed as late as 1943 by Aneurin Bevan. Social policy to this wing was a matter purely of taxing the rich to support the poor. One consequence of this view was a failure to realise that such views made the Labour Party the party of the poor, and only of the poor. Two consequences of this are, firstly, the failure to realise that poor people tend to get a poor service. Poor people may not be sufficiently articulate to know how to complain, and therefore, there can be no incentive for public services to improve. The involvement of the middle classes in public provision increases the likelihood that services can improve, because middle class people know how to complain. Horton and Gregory argued furthermore that middle class buy in to public services increases the likelihood that public services will create a feeling that services are for 'we, the people.' Services for the poor, and only the poor, result in 'We, the People' versus 'Them, benefit recipients.' Secondly, this wing of the Party, by labelling all workers as 'poor' would alienate those who did not wish to categorise themselves as 'poor' and this category, the 'not poor', as noted by Charles Booth comprised 70% of the working population of London. This was realised by Ramsay MacDonald, but not by Snowden or Keir Hardie, nor, until near the end of his life, by Bevan.

There is one other antecedent to which it is necessary to draw attention at this stage. It was noted that Cole argued that the period up to about 1850 was the adolescence of the working class (there never was, of course, one single, homogenous, monolithic working class, a point emphasised by Stedman Jones, 1971). After 1850 the working classes made their peace with capitalism, and tried to make the best of the situation in which they found themselves. There was also, in the second half of

the nineteenth century a general rise in working-class living standards, especially after 1870, noted in this chapter in the quote from Hobsbawm. It was this rise in living standards, epitomised by, for example, increased consumption of meat and fruit, increased leisure that came with shorter working hours, the rise of professional sport, the availability of public transport and consumer durables that led to the development on the part of the labouring classes of ambitions and aspirations, particularly on the part of the skilled craftsmen and the better paid and regularly employed manual workers. The rise of Adult Education, in the form of City and Guilds, the Mechanics' Institutes and the WEA should also be noted. The upper strata at least, of the working classes came to desire not just enough to live on, but something to spare, something to bequeath to their children, a desire that their children and grandchildren should have a better life than they had had themselves. This was noted by the working-class autodidact, Ernest Bevin, who also, observing those who did not share these aspirations, coined the term 'poverty of aspiration.'

These aspirations also included notions of independence, autonomy of action, ability to rise by their own efforts, notions of equality with at least the lower middle classes, if not to become part of those classes. These notions of autonomy and independence, of ability to better themselves, form part of a working-class culture on which New Labour have been able to draw when figures such as Blair, Brown, Alun Johnson and Alan Milburn use similar concepts to describe their aims.

Chapter Four of this study is concerned with the labour market itself. Given that the best form of welfare is work, and also, one role through which citizens can serve the community in which they live, share in the wealth of England, and also, achieve 'self-realisation', self-perfection, through self-improvement, what can the State do to ensure that all citizens shall have opportunity to perform useful work, to combat the evil of idleness, and to better themselves through work. This question led on to what happens when a government forsakes the ideal of full employment, and a method of defining the Enabling State by defining its opposite, the Disabling State.

Thus Chapter Four of this study began with a theoretical study of labour market policy, by the end of which, it was possible to say that existing policies, concerned with either redistributing work, or relieving unemployment, has omitted 'employment'; the vital question about work was how to cause more of it to be done. This entailed

the study of Keynes's work, which has been placed in this Chapter not as an antecedent of Enabling, for it was not. Rather the aim was to demonstrate that whether workers are hired depends not primarily on the wage, but on the quantity and nature of the work to be done. This was the essential insight of Keynes, who also appreciated that workers cannot 'price themselves into work.' Apart from the conditions of the employment contract, a worker offering himself for a particular job (we do not 'offer ourselves for work' in an abstract, theoretical way: we apply for an already-existing job) does not know how many people are competing for that job, nor what wages the competitors will accept, and this information is never volunteered by employers.

1.2 Reflections on the New Deal and Skills for Life

The participant observation in Chapter Five presented the idea that working people may have good reason to dislike the welfare state presented to them by intellectuals and policy-makers as much modern discourse of welfare sees working people as predicates of history, never as subjects. Seen in this light, the driving force of the Enabling State is precisely, how working people can be put in position to act for themselves, rather than being acted upon.

The view of this study is that this concept of working people as predicates of history rather than subjects has led politicians, policy-makers and social policy academics into mistaken views on the idea of welfare itself. There has come to be a prevailing orthodoxy that the function of the welfare state is to compensate the disadvantaged for their disadvantage, by means of social benefits of various types. This orthodoxy has neglected the question, how is it possible to bring new opportunities, new skills, new knowledge to the disadvantaged so that they shall no longer be disadvantaged: for example, Skills for Life Literacy and Numeracy classes to improve the education of those who missed out earlier in life, and now find themselves without skills or knowledge to become competent players in the game of getting a job; vocational education and training, apprenticeships, for non-academic young people who, under a general skills regime, have nothing to look forward to and therefore no incentive to work hard at school and do well in GCSE.

This prevailing orthodoxy, typified by Lowe's history of the welfare state, has neglected the labour market as an arena of welfare itself. This indeed is a paradox,

in view of the fact that, as detailed in Chapter Three of this study, the aim of English social policy, reaching back to the 1601 Poor Law, has been to ensure the speedy return of the out of work worker to work, and to independence, as quickly as possible.

One of the virtues of the long historical sweep of this study has been precisely that it has been possible to situate New Labour policy in long traditions of British social policy that would not be possible using a shorter time frame. An example of what is meant is provided by comparison with Jones's history of the Trade and Enterprise Councils (TECs) of the 1980s and 1990s. Jones' neo-Marxist intellectual framework leads him to seek a structural explanation dressed up in Althusserian language, and develop a theory which sees the attempt to set up TECs as some kind of neo-liberal conspiracy. Jones does not understand the difference between 'workfare' (being forced to work for benefits) and 'welfare to work' (the aim of the welfare system is to get claimants off welfare into work.) Jones seems to think it wrong that citizens in receipt of benefit ought to do something in return, such as look for a job, or engage in training for a job, and he also thinks that when the Conservatives linked right to receive benefits with duty to seek work, they were introducing something new. But the idea that any citizen is entitled to receive from the State and do nothing in return was inconceivable to Beveridge, would not have been tolerated by Herbert Morrison, and was anathema to Ramsay MacDonald.

The paradox is even more striking in view of Kolakowski's (2005) claim that equal liability of all to labour has been part of socialist doctrine since the days of Saint Simon. This, for example, is Rosa Luxemburg:

In order that everyone in society can enjoy prosperity, everybody must work. Only somebody who performs some useful work for the public at large, whether by hand or by brain, can be entitled to receive from society the means for satisfying his needs. A life of leisure like most of the rich exploiters currently lead must come to an end. A general requirement to work for all who are able to do so, from which small children, the aged and sick are exempted, is a matter of course in a socialist economy. (Quoted by White, 2003:55)

Up till 1946, this Socialist doctrine was still in place, as Herbert Morrison, a then senior Labour Minister, said "Everyone will be expected to work. Society will be entitled to say to a person who could work but will not work, 'neither shall he eat.'" (Quoted in Jeffery, 2002:28). Indeed, Morrison rejected the idea that any citizen, even a working-class one, had an unconditional right to withdraw money from the state without query, question or justification, and thought that any socialist who affirmed that doctrine would be affirming something quite contrary to the self-respecting and upright principles of Socialism itself. Seen in this light, Morrison and his generation might view a welfare state which merely compensated the disadvantaged for their disadvantage, while requiring no contribution in return, as, on a moral plane, neither Socialism nor social justice. Hence, the moral content of New Labour Welfare to Work, based on moral notions of 'something for something', can be seen to have a long history within British socialist traditions.

The second point to make is that more recent theories of citizenship, those of Roche, Twine, and Held, for example, have emphasised precisely the role of agency and autonomy, of citizens as autonomous agents in control of their own lives. The learners studied in Chapter Five were all limited in the extent to which they were in control of their own lives: they did not all know where to look for work, they lacked certain literary skills to apply for work, and lacked knowledge as to how to present themselves as employable people. They were, therefore, disadvantaged, and had to be taught the 'rules of the game.'

Their regular Tutor, and the Author attempted to empower them to take control of their own fates, by showing them a wider range of sources of employment, teaching them to write better letters, acting as their Spin Doctor when they wrote, helping them fill in application forms, helping them to improve in interviews, finding good things about them, encouraging them to have a more positive view of themselves (one learner, going to her first interview for some time, was told "You are a bright, articulate young woman, with a lot going for you. Go to that interview thinking about what you can do, not about what you cannot.")

The learner did not get the position, but three months before, would not even have tried for it. She had therefore, a greater control over her own fate, and was not

condemned to a life on benefit. Another learner simply had never had 'well done' said to her.

These learners were able to learn about themselves, what skills they had, or did not have, were better aware of what opportunities there were in the local labour market, and how to pursue them. The only learners the Author met for whom this was not true were the only two who suffered from victimology.

In electoral terms, the New Deal can be sold to the electorate in that it does require participants to take some action in return for the short term benefits of which they were in receipt. This is the notion of reciprocity, something for something. The welfare to work regime is not, and was never intended to be, something for nothing, and is therefore, in line with the intentions of Beveridgean welfare, and in line with a long working-class tradition exemplified by Ernest Bevin. It is also in line with the citizenship tradition outlined by Roche and Twine, as it involves notions of inter-citizen relationships, and the interdependence of citizens. As one Jobsearch Tutor put it, (to the Author) with the New Deal, what you get out of it depends on what you put in. If you put nothing in, you get nothing out.

The New Deal, as part of the Enabling State is in line with Beveridge's ideas of welfare in that it is not enough to simply relieve poverty by means of benefit, which can never be more than a short-term palliative. By trying to move citizens into work, it enables citizens to support themselves, and win by their own efforts all that is necessary for a full life. Combined with the Minimum Wage, and the Working Tax Credit, this aspect of the Enabling State offers the opportunity to overcome the conditions that create poverty, rather than simply alleviate it, and by facilitating self-improvement, self-sufficiency and restoring the self-respect of the citizen, offers a route by which, in the terms of Arendt (1958) the condition of labouring itself can be elevated, and not just by those who labour.

The New Deal does of course, have its disadvantages. It has sucked up some of the most disadvantaged people in Britain. As noted by Dean, there are New Dealers who suffer from problems of drink, drugs, substance misuse, debt, personal relationships, domestic violence, illiteracy or bare literacy, through not having been to school since the age of nine, and having learned very little while there. Few of these problems can be effectively dealt with by means of a 26 week New Deal

placement. Simon, a Tutor with Training Co, informed the Author of a student he had taken from complete illiteracy to being able to fill in an application form for a job independently, and use the correct language to sell himself to an employer. The programme occupied a total of three years hard work, on the part of Tutor and student. New Deal Skills for Life learners include many ESOL (English for Speakers of Other Languages) students, such as H. It takes time to learn a new language to the point of employability.

Secondly, it may be a disadvantage that many New Dealers go on to low wage, low skill jobs. This is not the intention of providers or JobcentrePlus, but many New Dealers quite simply do not have many skills: N, for example, has little work history and no formal paper qualifications. What she has come to acquire through Skills for Life is the determination to try to get work, she has succeeded, although not in a high wage job. What is important here is that N has acquired the desire to improve herself, to go more or less, back to school and make up for the success that she did not achieve there. It is possible that having to attend Skills for Life classes has made her realise that school was more important than she thought, and there is opportunity to have another try, and the only barrier is her own desire. There is a ladder to success, out of the basement, as it were, upon which N has placed her foot.

The third disadvantage is, as discussed in Chapter Five, the nature of 'outcomes.' The only measurable outcomes are jobs and wages, and the number of jobs obtained and the wages obtained may lead some to consider the New Deal an expensive failure. But, Chapter Five has argued that the most important outcomes are precisely those that cannot be measured at all by conventional means. Progress from E1 to E3 will probably not lead to success in the labour market, unless the labour market has room for people who cannot read, write or add up very well. It could be argued that in the 1950s or 1960s, this scenario did obtain, but in 2008 does not. This is so because of the changing nature of modern work, and the number of jobs does not depend, as Conservative politicians such as Thatcher and Lawson maintained, on the level of the wage, but on the nature and quantity of the work to be done, in accordance with the insights of Keynes. In the modern labour market, there seems to be no room for people with very low skills. Yet, two points can be made: firstly, progress from E1 to E3, which can be achieved in 26 weeks, does represent genuine progress in terms of 'distance travelled,' and is therefore, a

worthwhile enterprise. Secondly, without such an enterprise, those who are assessed at lower than L1 (Access employability) will always be left behind.

1.3 A Final Note

We wish to end with two points which, it is hoped, may explain why it is that Enabling State theory is so hard for some on the Left and conventional social policy experts to comprehend.

The nature of the New Deal and Skills for Life agenda is that the state accepts the responsibility to ensure that all British citizens shall be able to read, speak and write English to an acceptable standard. The nature of this enterprise is that the state, advised by its own educational advisors (in this case the Qualifications and Curriculum Authority) defines this 'acceptable standard', through the National Qualifications Framework. The State also licences the teachers, and lays down what qualifications the teachers must have to be allowed into the classroom, and has raised the bar for potential tutors by requiring them to acquire better qualifications, for instance, a Bachelor's degree, or even a Master's in Lifelong Learning. The state finances the enterprise through the Learning and Skills Council. The qualifications that learners achieve are assessed and validated by various bodies, mostly, in England, City and Guilds (it is different in Scotland). But the state does not own all the providers of adult education, nor does it employ all the teachers. The state does not write the Schemes of Work, nor the Lesson Plans, nor does it tell the teachers how to teach. There are a large number of providers of adult education, and the consequences include that the state is not the 'educator of the People', and it can be ensured that the state will tolerate experiments other than its own, and will function as repository of best practice. This is one of the principles of Enabling itself, and has an intellectual history stretching back to J.S. Mill and Karl Marx, although Enabling State theorists rarely mention Mill and almost never Marx. It would not be possible to prove that this relationship is causal, but if it could be proved to be the case that leading Labour politicians were familiar with the work of Marx and Mill, or even if they only knew about their ideas, there would still be a wealth of experience and knowledge on which they could draw.

The second point is how new is New Labour? One of the difficulties of assessing New Labour has been caused by Tony Blair himself. In the first few years of his

leadership, Blair was emphatic that New Labour was a new party, and he was seen by many, for example Roy Hattersley and Tony Benn, to have abandoned traditional Labour policies and values. Fielding (2000) has argued that to an extent, 'New Labour' was a rhetorical device, designed to distance Blair from a past in which Labour was seen as economically incompetent, dominated by Unions and run by left-wingers antagonistic to the interests of the majority. Such views may have been Conservative propaganda, but it was necessary to put distance between New Labour and Old. Much confusion was caused by the failure on the part of some to understand the nature of Liberalism itself. According to Fielding, some in the Labour Party believed that Blair was an 'old fashioned' Gladstonian *laissez faire* Liberal, and therefore 'Thatcherite'. But this view ignored the extent to which firstly, Blair wished to emulate Gladstone's success in creating a 'broad coalition of those who believed in progress and justice', and secondly, that there was this pre-Great War New Liberalism, very different to Gladstonian Liberalism, and that it was this Liberalism that had influenced such Labour figures as Hugh Gaitskell and Anthony Crosland, who believed that the distribution of rewards and privilege in Britain was unfair, not related to effort, virtue or ability, but equally, did not support equality of outcome, which would undermine merit and reduce incentives.

An example of the confusion into which Welfare to Work has thrown traditional ideas of welfare is provided by Peck (1998). Peck agreed that Welfare to work is not electoral posturing, nor is it simply a progression from Conservative preoccupations with benefit fraud, but is a programmatic and transformative reform. However, Peck describes the programme as 'workfarist' in that 'welfare' stands for needs-based entitlement and universality, whereas 'workfare' stands for market-based compulsion and selectivity; 'welfare' is based on a Keynesian welfare state. Peck however, fails to realise that the so-called Keynesian welfare state is itself based on a misunderstanding of Keynes himself, as this study has argued in Chapter Three: Keynes discussed hours of labour, not redistributive tax and benefit systems, which themselves leave the unemployed still unemployed to the extent that the resources are commandeered by those still in work. With regard to 'needs based entitlement' he fails to understand the concept of 'entitlement' itself, for entitlement must include the concept of putting something in order to get something out; and Peck will not face up to the issue that, as Kolakowski (2005:1199), pointed out, who is to decide

who needs what, and on what criteria. If the State, or its officials decide who needs what, the greatest emancipation in human history becomes no more than a huge rationing system. Nor does this type of criticism remember that in 1907, Ramsay MacDonald did not try to introduce a 'right to benefit' but a "Right to Work Bill." Nor does Peck remember that one of Beveridge's Five Great Evils was Idleness: idleness itself is an evil for men must have the opportunity to perform useful work. With regard to employment, it is no use the Government finding useful work to do if the citizens lack competence and capacity to perform it. Hence, Welfare to work is not 'workfare' (this term refers in the US to claimants working for benefits: there is no 'workfare' in the UK), it is a return to traditional Labour values expressed by for example, Ramsay MacDonald, Ernest Bevin and Herbert Morrison, forgotten since by academic social policy experts, and by some in the Party itself.

Within this context of ideological confusion, Diamond (2004:12) has argued that New Labour is in fact based on a notion of equality and liberty as 'indissolubly linked' leading to a conception of the State as developmental and enabling. For Diamond, basing himself on the thinking of T.H. Green, rights in a free society only have meaning where individuals have the economic and political capacity to exercise them, a positive conception of liberty, liberty as autonomy, security through collective provision. Socialism can be better defined as a commitment to liberty on this basis, rather than public enterprise or nationalisation, within the context of a changing society where working people were becoming less working-class, less class conscious, and allergic to appeals to such factors as trade union solidarity or class loyalty, a view Diamond attributes to Hugh Gaitskell, but also held by Herbert Morrison, if not by Aneurin Bevan.

Thus, Welfare to Work is 'new' by comparison with 1983, which was Blair's point, but, by comparison with earlier Labour, is finding new ways to do traditional things.

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